



SERVANT LEADERSHIP AS A DIFFERENTIATOR IN INDONESIAN REGIONAL DEVELOPMENT BANK

Oleh :

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ABSTRACT

This study aims to examine servant leadership as a differentiator in Indonesian regional development bank. It investigates the role of Human Resource (HR) leaders as a differentiator to leverage performance. The methodology used is a soft system methodology based action research (SSM-AR). This qualitative study was conducted at South Sumatra and Bangka Belitung Regional Development Bank (Bank BSB). The findings provide a challenge to maintain sustainable growth and performance improvement services to customers. According to servant leadership theory this research gives an alternative leadership model for regional development bank. In facing global business context, this model gives the bank competitiveness to respond dynamic market that it serves, including for customers, competitors, and supplier trends.

Keywords: strategic positioner, differentiator, servant leadership, soft systems methodology

1. Introduction

The performance of a regional development bank has complicated problems in terms of performing government rules in one side and implementing business goal on the other side. This condition has received attention from academics as well as business profession. It is the issue that we discuss in the research. We expose how leader bankers as differentiators reconstruct leadership through transformation in regional development banks.

The research makes several contributions to the academic as well as business aspects concerning servant leadership as an alternative solution. First, we provide an alternative leadership model for regional development bank. Second, in facing global business context, this model gives a benchmark for bank leaders. The bank competitiveness in dynamic market must be responsive to customers, competitors, and supplier trends.

At the level of a regional development bank organization, a leader has to be able to perform a remarkable transformation. In this qualitative research, president director (Muhammad Adil), who has been chosen as the pro-hired president director of Bank Pembangunan Daerah Sumatera Selatan dan Bangka Belitung (BPD Sumsel Babel or Bank BSB), was chosen as the subject. Leader has successfully planted a leadership in Banks BSB. Is leader's action

is actually compatible with the concept of servant leadership? Servant leadership can be recognized when people begin with their natural feelings to serve first, then their conscious choices bring them to aspire to lead. A servant leader's highest priority is to make sure that other people's needs are being served (Greenleaf, 2008). The improvement of long-term organizational performance is one outcome of the application of servant leadership. Servant leadership behaviors can truly impact an organization at its root. Bank BSB aims to make sure that they can satisfy every customer need, so that its highest priority can be served through every service given.

A servant leader is a leader who instilled a commitment subordinates' voluntary, participation, ownership, and responsibility, helping others develop themselves, and guide and direct them. It distinguishes itself by traditional leaders. This difference can be demonstrated that traditional leadership is leadership that is suitable for achieving the company's objectives in the short term and have limitations. Normally in this period the traditional leader and his team needed a high performance continuous (Yukl, 2006). Therefore, servant leadership that focuses on subordinate may attract more attention. Servant leaders respect the organization's members in the medium and long term to achieve its goals. Traditional leadership is more focused on the management tasks

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than humans. While the servant leadership is the leadership that focuses on human relationships with the delegated authority to members of organizations and businesses are promoted. Thus a servant leader will look different compared to the traditional leader. Related to the background underlying, the research focuses on how do the Bank BSB leaders redesign their roles through develop their HR competencies?

2. Literature Review

Greenleaf (2002) mentioned the essence of services is servant leadership model. The services can be given to employees, to customers, and to the community, as the top priority and that first. The point of servant leader, that comes firstly, is servant. This idea is started from the depth within the hearts of each person, that is, everybody wants to serve (Laub, 2003, p. 3). Everybody has a choice consciously to carry out one to aspire to lead. A good servant leader has to be able to serve persons to grow. The followers have to be better than before. Servant leadership stimulates people's value and development, community building, genuine practice, leading for the good and sharing power. It is related to Neuschel (2005, p. 95) that a servant leader helps to grow followers in reputation, ability, or contribution to build his followers to be more useful. According to Patterson (2010, p. 170), servant-leaders are those who serve with a focus on followers. The followers are the main concern of the organization (Hersey & Blanchard in So-Jung Kim, Kyoung-Seok Kim, & Yeong-Gyeong Choi, 2014).

Otherwise, servant leadership begins with sincere feelings that arise from the heart. Servant-leaders have the values and virtues that can be defined as good moral qualities in their community. They can serve as positive role models. They are capable of making their new employees are inspired to follow and become leaders who serve themselves (Ehrhart, 2004). Carsten, Bien, West, Patera, and McGregor (2010) measured passive followership and proactive response followership and the status associated with the social construction of reality. Servant leader brings his heart with feelings of sincere and honest to serve, therefore it makes his followers to be more useful and happier.

This study agreed with Greenleaf in Spears (2010, p. 27) that mentioned main characteristics distinguishing between servant leadership model and other leadership. The characteristics are organized in 10 main characteristics: listening, empathy, healing, awareness, persuasion, conceptualization, foresight,

stewardship, commitment to the growth of people, and building communication. The simplest way to see a leader is how one uses the most effective way to serve. By leading his followers, a servant leader can meet part of the fulfillment of the mission of his life. As a result he can give something positive in the environment in order to create a better world.

Bass (1985) and Senge (1995) stated organization goals as a tool to satisfy organization members' growth needs, self-expression, and maturity needs. Servant leadership is the leadership that is based on the democratic principle. Sims (1997) and Boyer (1999) appreciate his subordinates' dignity and value as human being and stimulate their creative capability. Daft (2004) described that a servant leader usually offered an opportunity for others to gain material and emotional benefits.

We agree on the findings of Mira & Margaretha (2012) there are five aspects that influence servant leaders, they are empathy, persuasion, foresight, healing, and awareness. It is different from Shekari and Nikooparvar (2012) promoted leadership effectiveness in organizations. Servant-leadership incorporates the ideals of empowerment, total quality, team building, and participatory management, and the service ethic into a leadership philosophy. The results show that a six-factor measurement model including emotional dimension, commitment to community, egalitarianism, altruism, managerial skills and human skills fit the data acceptably.

At last in banking sector, Abid, Gulzar, and Hussain (2015) used 202 Pakistan public sector employees to investigate the impact of servant leadership on organizational citizenship behaviors. The results showed a positive association between servant leadership, trust and organizational citizenship behavior. The previous research was a complementary of Mathur and Negi (2014) research that investigated servant leadership and organizational citizenship behavior among employees of service sector in India. They found servant leader will help employees of service organizations like banking to work more efficiently and effectively towards achieving individual and organizational goal.

According to our study the roles of a servant leader in an organization are related to internal as well as external factors. All the factors direct and shape the leader become a strategic positioner. Ulrich (2013) decided in his concept of human resource (HR) that a leader can be a strategic positioner in an organization. Ulrich (2013) also states that several trends seem likely to affect efforts to boost

productivity through people transformation: (1) from sporadic investment in talent to disciplined and consistent investment, (2) from competence to contribution; from work-life balance to life-work integration, (3) from domestic to global; and (4) from stable to flexible careers.

In banking situation, banker leaders must develop their capabilities to provide services to their customers. The HR leader as a strategic positioner domain is closely associated with three factors: (1) interpreting the global context, (2) decoding customer expectations, and (3) co crafting a strategic agenda. As a banker who has servant leadership, a person focuses mainly on the growth and well-being of customers as well as stakeholders. The banker should share power, put the needs of the customer and subordinators, and help develop them and perform as highly as possible.

2.1 Interpreting the Global Context

The main task of leaders is to highlight the aims, the concern, and the problems. They suggest the use of various images of the organization to determine the concerns and to generate creative ideas. Such images can include those that are physical or mechanical and those that are intellectual or organic in nature. A leader as a strategic positioner must implement strategic positioning: (1) know and react to external business trends and context, (2) understand and co-create with external stakeholders, (3) recognize and deliver strategy and sources of competitive advantage, and (4) master the language and flow of business (Ulrich, 2012). These described the image of a leader who has the ability to position his organization, to anticipate, and to match external implications.

2.2 Decoding Customer Expectations

Ulrich (1997) said that human capital is a function of competence which is multiplied by commitment. In relation to strategic HR, the department of HR is a partner of the top management in establishing and developing strategy in the aspect of humans (employee value). Hitt (2009) stated that, “a strategy is an integrated and coordinated set of commitments and actions designed to exploit core competencies and gain a competitive advantage.” The process of creating competitiveness and the organization’s core competencies is presented by steps from the awareness of tangible and intangible resources, capabilities development, and core competencies discovery. The latter is controlled by four criteria of

sustainable advantages: valuable, rare, costly to imitate, and non-substitutable (Barney, 1998 And Hitt, 2009).

Hitt (2009) also stated core competencies and capabilities that serve as a source of competitive advantage for a firm over its competitors. In a bank situation, an agent of change effectively manages its core competencies and simultaneously develops new core competencies to enhance competitiveness in the future. Hitt emphasized that managers in facilitating and using core competencies must possess courage, self-confidence, integrity, the capacity to deal with uncertainty and complexity, and a willingness to hold people accountable. There are three conditions: uncertainty, complexity, and intra organizational conflicts that affect difficult managerial decisions concerning resources, capabilities, and core competencies. Global era of intense competition with the main characteristics of technological development resulted in pressure from outside the organization or from the need to be managed as well.

This condition can take place because intangible resources are less visible and more hard enough to be understood, to be purchased, to be imitated, or to be substituted by other competitors. Therefore a service company will prefer to believe in and use the intangible resources as the basic principles for its human resource competencies and core competencies (Hall, 2008). Intangible resources are more superior in terms of core competencies compared to tangible resources. In reality, intangible resources that can be categorized as unobservable are able to be sustained and become competitive advantages for a company.

2.3 Co-crafting a Strategic Agenda

A leader must be able to realize his environment and to cooperate in the system that appreciates individual differences, and able to integrate incollaboration between leaders. This means every individual in an organization has to possess personal branding and responsibility and at the same time each leader also has a branding leadership.



Figure 1. Leadership Brand

Source: Ulrich, 2012

Leadership comes from competencies development that is an important issue. In reading the environment and talents to be possessed (nurture) leadership should be seen not only from innate talent (nature), but also from synergy efforts). It is suitable with the concept of servant leadership which stresses on six-factor measurement model including emotional dimension, commitment to community, egalitarianism, altruism, managerial skills and human skills fit the data acceptably (Shekari and Nikooparvar, 2012).

Actually every organization needs to develop the leadership skills of the individuals who are responsible for their work so as to deliver tangible results. In addition to that, the challenge for each individual is undergoing six challenges of brand leadership capability and being able to integrate the capability with organizational objectives as shown below. Leaders must perform their task to implement (by using the various structural levels) the mix of factors, which increases the likelihood that individual and organizational knowledge acquisition, codification, and transfer will occur regularly, appropriately, and productively. They are intended as a catalyst to management action, whether by sparking a conversation among colleagues, providing a solution for a project team, or inspiring another leader to try an innovative action design.

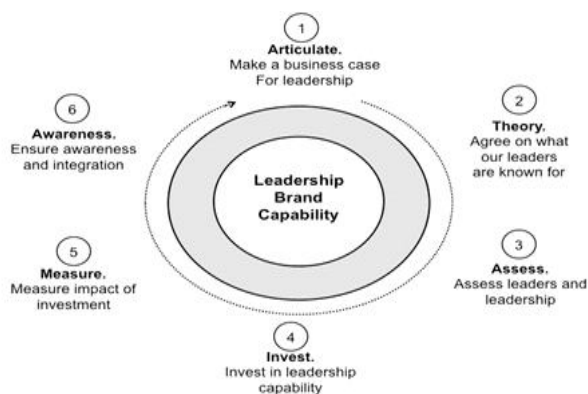


Figure 2. Leadership Brand Capability

Source: Ulrich (2012 p. 179)

The job of leaders is more nearly to bring out people's talents around a common vision. Good leaders spread intrapreneurial zeal when it comes from inner values that all can get behind. Leaders elicit commitment when their people sense that they care about them, the group's success, and their mutual contributions. As an individual in an organization, a leader as a strategic positioner transforms human resource management (HRM) to human capital management (HCM) (Dessler, 2015). In other side,

HCM approach consists of management of systemic and holistic HR related to business and environmental outcomes (Armstrong, 2008).

Core competencies of a leader are the ability to interpret the global business context. HR professionals understand the social, political trends, economic, environmental, technological, and demographic global business. They understand the structure and logic of the competitive dynamics of the industry and the markets they serve, including customers, competitors, suppliers and trends. They then apply this knowledge to develop a personal vision for the future of the company. The output of leader competencies is internally human capital management strategy (HCMS) that must support the vision and mission of the company in line with the company's business strategy. The company also considers a strategy of other functions within the company. It makes strategic alignment (Kaplan, 2006) of human capital contribution that fits in the execution of all the strategies set by the company to improve sustainable competitiveness through human capability.

3. Methodology

This research uses unstructured problem situation in Bank BSB that stresses on human capital (HR) leader using Soft Systems Methodology (SSM) that conceived as a framework for the inquiry into ill-structured situations like this research situation at some levels of analysis with different actors (Checkland & Poulter, 2006). SSM developed by Checkland and Poulter (2006) and using participative techniques. The seven stages are: (1) the problem situation unstructured; (2) the problem situation expressed; (3) root definitions of relevant systems; (4) deriving conceptual models; (5) comparing conceptual models with the "real" world; (6) defining feasible and desirable changes; (7) taking action. Stages (1), (2), (5), (6) and (7) can be regarded as sub-systems that work in the real world or hard system, while stages (3) and (4) can be considered to be systems thinking about the real world or soft system.

The reasoning strategy of SSM based Action Research (SSM based AR) becomes the centre around modeling (Hardjosoekarto, 2012). After that rich pictures, which serves to abstract features of the problem domain, is followed by formulating root definitions and creating a conceptual model of activities.

Models are used as devices for reassessing and improving the problem solvers' interpretations of the

problem. This is a well-expounded ‘research process’; however, since the methodology is targeted at problem solving not academic research, there is no explicit ‘logic of theory construction.’ The outcome of the SSM research process is learning - in principle, that learning may be expressed as theory (MacKay, 2001) controlled by efficacy, efficiency, effectiveness, ethics, and elegance.

In this research, a broad account of SSM, as described by Checkland and Poulter (2006), is used: “SSM is an actionoriented process of inquiry into problematical situations in the everyday world; users learn their way from finding out about the situation to defining/taking action to improve it. The learning emerges via an organized process in which the real situation is explored, using as intellectual devices—which serve to provide structure to discussion—models of purposeful activity built to encapsulate pure, stated worldviews.” (Hardjosoekarto, 2012).

Problematical situation in Bank BSB is considered: “to be very complex, problematical, mysterious, characterized by clashes of worldviews. It is continually being created and recreated by people thinking, talking and taking action” (Checkland and Poulter 2006), and this is an area of interests where SSM could contribute. The complete SSM based AR as a learning cycle is shown in Table 1.

Table 1.

Soft Systems Methodology as a Learning Cycle:
 Seven Principles, Five Actions, and Four Learning Cycles

No	Seven Principles Soft Systems Methodology (1982)	Processes	Five Actions	Four Cycles Learning (2006)
1	The problem situation unstructured	Real-world problematical situation	Finding out about the situation	
2	Problematic situation expressed	intervention analysis Social Analysis Politics Analysis	Exploring it via models of purposeful activity based on different worldviews	1.Finding out
3	Root definition of relevant systems	PQR formula CATWOE analysis		2.Making purposeful Activity Models
4	Deriving Conceptual models	Structured Model		
5	Comparing conceptual models with the “real” world	Accommodation	Discussing and debating the situation	3.Using models to structure discussion about the situation and its improvement
6	Defining feasible and desirable Changes	Never ending process of learning	Defining/ taking action to improve the situation	4.Defining ‘action to improve’
7	Taking action	Conscious critical reflection	Critical reflection on the process	

Source: adapted from different sources

The Four Learning Cycles was adapted and based on the cycles, the research designed is performed as follows:

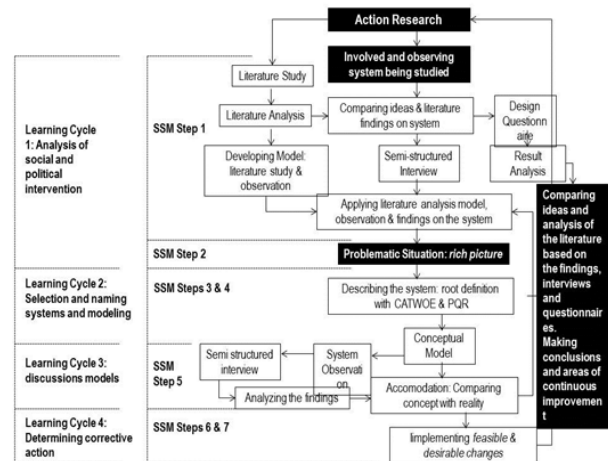


Figure 3. Research Design

Source: adapted from different sources

4. Research Findings and Discussion

During the observation, 26 banks were measured and evaluated using their annual reports in terms of some aspects: finance, good corporate governance, human capital, marketing, corporate communication, information technology, risk management, and corporate social responsibility. However, only 14 regional development banks were ready to be assessed. Out of 14 banks only 3 regional development banks were available to be interviewed. We chose this regional development bank because it was the first winner of Annual Report Award 2015 held by Indonesia Financial Service Authority (IFSA) and Bank Institutions. Based on our analysis, Adil has applied servant leadership. During 2 year research, we found a problematic Bank BSB situation in competitive landscape and future industry. It is necessary for Bank BSB’s vision and mission to be periodically reviewed to ensure their relevance with the company condition, business development, and shareholders’ aspiration. The establishment or revision of the vision and mission involves the board of directors, board of commissioners, management one level below the board of directors, and other related parties. One of the efforts of Bank BSB in fulfilling the forms is by having a vision of being “to become a leading and trustworthy bank with superior performance” with its customer intimacy as the core principle or an estuary. In this case, HR of Bank BSB as an asset will create a competitive organization that is not easily replicated by similar competitors. Bank BSB prepares its workforce to improve the global competitiveness of HR, for example, to meet

the era of free trade at the level of ASEAN in 2015 (AEC). It faces globally by preparing a variety of training and development programs.

According to Ulrich's idea, Adil has been the role model through a long process. He responds the needs and demands of the global results in terms of both quantity and quality. It is associated with the acquisition of ownership controlled by a leader. During the time of turbulence, efforts exerted by parties outside the organization values play an important role. It is seen that in Bank BSB there was resistance to change from the lowest employees to the level of directors.

As a leader, Adil is different from other bankers in similar regional development bank. Based on our in-depth interview and focus group discussion, he has shown a different way to organize Bank BSB. Adil has been a differentiator because he had planted the foundation on Bank BSB in terms of values. He has started from small things, such as implementing the use of smartphones. With a communication device, the Bank BSB team from the first ring to the front office, such as directors, heads of divisions, managers, and customer service staff are connected almost 24 hours in seven days. This condition also happens to Adil. His subordinates or staff can also connect him anytime if they have problems. In prerequisite situation, he and his team fixed SOP (Standard Operating Procedure) - service standard system, sharpened its process, its HR (human resources), made rules and the application of GCG (good corporate government), and anti-fraud rules. They also formed the division of compliance, anti-fraud unit, strengthened the branch of business division, improved of credit organizations. They placed

qualified people in their right place who are suitable with their fields and conducted trainings and developed learning centers.

In the future there are some hindrances that will be increasingly faced by Bank BSB in this business competition. In general, the first hindrance is the ASEAN Economic Community (AEC) that will kick off in 2015. Moreover, the second hindrance is AEC provision that will apply to Indonesian banking industry by 2020. In Indonesian situation, bankers are also arranged and organized by legal and formal institutions, for example IFSA, National Professional Certification Board (BNSP), and License to Professional Certification Agency (LSPP). BNSP organizes job competence certification in Indonesia. It is an independent agency established under PP 23 of 2004 to regulate the labor competency certification in Indonesia. PP is an implementation of Law No. 13 of 2003 on labor. In this case as a regulator, BNSP provides License to Professional Certification Agency (LSPP) that meets the requirements and procedures for setting leader competency tests. Job competence certification in Indonesian banking industry has been developed and implemented by the Institute of Banking Professional Certification (LSP Banking) which has obtained a license from BNSP through Decree No. KEP 16/BNSP/VI/2008 June 19, 2008.

Based on the real situation, the process of the research involved some steps. Firstly, the participants in groups drew their real and expected situation in Bank BSB. Secondly, they presented their pictures for sharing. Finally, all the results together with the findings collected in in-depth interview and focus group discussion were reconstructed in a rich picture, as follows:

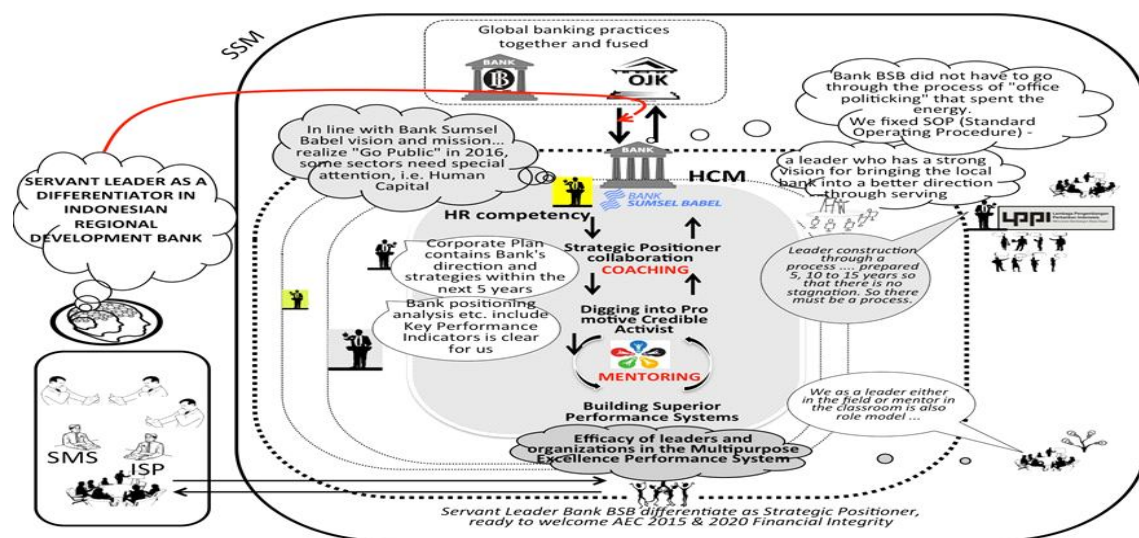


Figure 4. Rich Picture on Bank BSB Servant Leader

Bank BSB prepares its workforce to improve the global competitiveness of HR to meet the era of liberalization at the level of ASEAN. It faces globally by preparing a variety of training and development programs. This is in line with the thinking of Hitt (2009) that intangible resources are more superior in terms of core competencies compared to tangible resources. This condition takes place because intangible resources are less visible and harder to be understood, to be purchased, to be imitated, or to be substituted by other competitors. Thus, a service corporation will prefer to believe in and use the intangible resources as the basic principles for its HR competencies and core competencies. In reality, intangible resources categorized as unobservable are sustained and become competitive advantages for a bank.

Moreover, the efforts to improve the capability of the organization are the responsibility of all banking stakeholders both internal and external including cross-organizations, cross-industry and cross-knowledge individuals. In Bank BSB situation, the programs to achieve the vision as a regional development bank are focused through its mission, namely: "Mover and Motivator for Accelerating Provincial Economy; Provincial Cash Depository; A Source of Provincial Income." Bank BSB, which has a vision of being "to become a leading and trustworthy bank with a superior performance", has already undergone successful mission by fulfilling the core capital and scope of business.

Bank BSB reshaped their 2013 mission into: 1. to develop and establish regional economic growth, 2. to become one of the sources of local revenue, 3. to become the regional treasurer, 4. to become the agent of development, 5. to assist and develop economically-weak entrepreneurs, 6. to improve human resource responsiveness toward regional development and market demands, and 7. to optimize business excellence in retail banking and developing corporate banking. Bank BSB always strives to maintain the corporate values based on four principles (4Ps): Service, Achievement, Development, and Positive. These values are incorporated into the motto "Your Partner in Building the Region". A corporate value and culture which prioritizes customers' benefit and satisfaction as the prime factor in achieving company's goals by maintaining the concern on the balance with other stakeholders' interests.

BSB's corporate value and culture always strives for excellent work achievement through high determination, spirit, and innovation by maintaining

the harmony and healthy competition. Corporate value and culture strives to be actively involved in the development of the company based on the principle 'Company's interest before individual and family interests'. Corporate value and culture strives to always be compliance, religious, trustworthy, and works excellently for personal benefit and Company's interest. Moreover, Bank BSB had prepared and continuously improves its staff by increasing their capability in productivity and efficiency. It can be seen from the capability of its management in financial performance. Even with the idea of Central Bank (BI)-IFSA (OJK) regulation allows foreign capital ownership in Indonesia until 99%, it is uncomparable to the Malaysian regulation which may allow the foreign capital ownership regulation for 30% and to the Singaporean regulation for 5% (Yamanaka, 2013).

Table 2
Bank BSB Values

	2013	2014
vision	Becoming a healthy bank that sustainably grows with the priority in customers' satisfaction	To become a leading and trustworthy bank with superior performance
mission	To develop and establish regional economic growth To become one of the sources of local revenue To become the regional treasurer To become the agent of development To assist and develop economically-weak entrepreneurs To improve human resource responsiveness toward regional development and market demands To optimize business excellence in retail banking and developing corporate banking	To help in developing the potentials of the region and enhancing the growth of the regional economy To develop the retail, corporate and international banking To develop professional human capital and good corporate governance
values	"4P" (Pelayanan, Prestasi, Pengembangan, Positive) Services, Achievement, Development Positive	"3S Bravo" (Solid, Service, Simple)

Source: Annual Report and Continuous Report – Bank BSB 2012 and 2013.

In 2014, Bank BSB had reviewed its corporate values. The previous values known as "4P", namely *Pelayanan* (Services), *Prestasi* (Achievement), *Pengembangan* (Development) and *Positif* (Positive) were changed to "3S Bravo". Solid is a set of work values applied consciously by employees in a compact, trustworthy, persistent, cohesive, healthy, superior, and friendly way in all aspects of their work attitude and behavior. Service is a set of work values applied by employees in the process of conducting their activities in order to serve professionally, integrated, and sincerely so that Bank BSB is able to provide satisfying business relationship to stakeholders regarding its products and/or services. Simple is a set of work values applied by employees in establishing a genuine, sincere, straightforward, and comprehensible relationship with stakeholders in order to create a valuable and long term bank's business relationship.

From the world of view of banker code of conduct that contains nine items specified by the Association of Indonesian Bankers (IBI), Bank BSB's values have coincidence with a long and intensive process. The value of the company and the code of ethics have become a long-term effort to build a unique organization in the bank's own resources. This is obvious in the implementation of good corporate emphasis (GCG-GCG). Consciousness and spirit of GCG become adage to ensure the organization for having the allure and sustainable competitiveness.

In fact, in many companies, the cost incurred for corporate social responsibility (CSR) has reached more than two per cent of turnover. Apparently CSR activities in many banks have already been separated from the marketing activities. Altruistic behavior of bankers and bank organizations are often highlighted as a concern no responsibility or liability. From these activities, stakeholders can see the value of work

that exists in Bank BSB. As a professional, the role of strategic positioner is very important because he is directly in contact with the business environment. Ulrich (2012) mentioned three factors that must be done, namely: providing a global business context interpretation, translating customer expectations, and co-crafting strategic agenda.

HCMS aims to ensure the company can produce sustained benefits through services that always meet customer needs. It requires the ability of performing innovation. Innovation is the result of creativity, competence, worldview, and leadership. Innovation additionally includes initiative attitudes to make improvements, oriented to create added value.

After the first learning cycle has been done, the selection and naming systems and modeling in SSM requires the analyst to step away from the real world area of concern. The servant leadership activity model can be drawn as in figure 5.

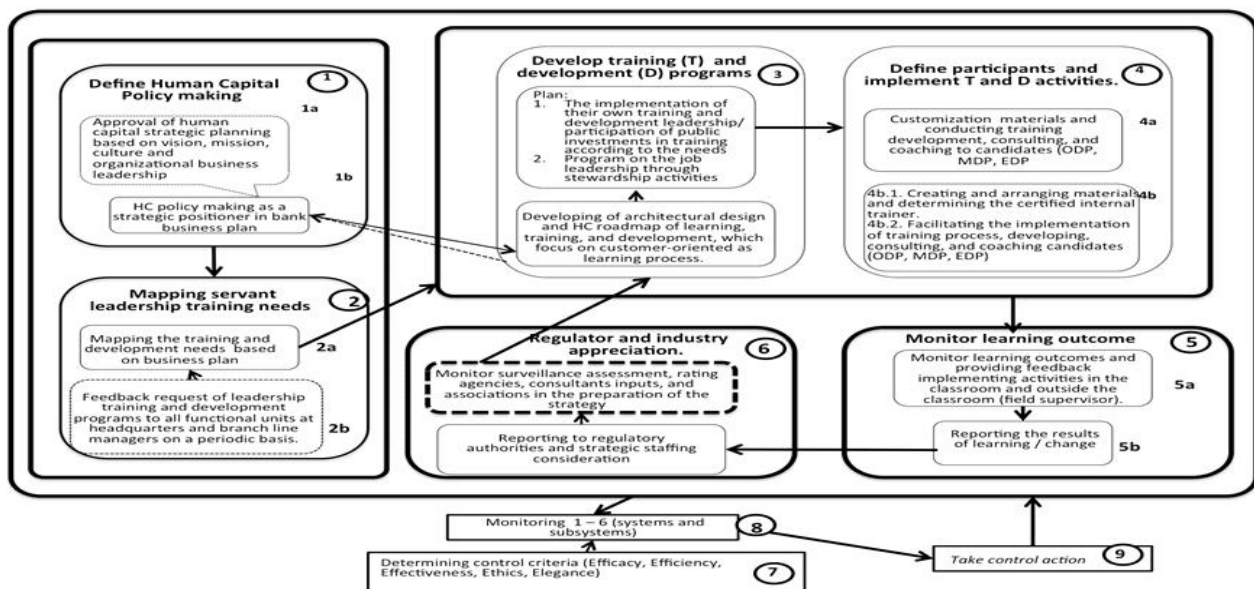


Figure 5. Servant Leadership Activity Model

Source: adapted from different sources

The model of leadership used in this research emphasizes increased service to others; a holistic approach to work; promoting a sense of community; and the sharing of power in decision making. It is stated that servant-leader must be a value- and character-driven person who has a performance and process orientation.

Table 3.

Bank BSB Financial Highlight accordance to leader innovation

Years	Profitability (%)	NPL Net Ratio (%)	Efficiency /BOPO (%)	Leader & Leadership Assumptions
2014	41,22	2,45	81,54	Leader as a strategic positioner transform HRM to HCM
2013		2,92	86,23	Leader as a strategic partner in HRM

Source: Annual Report Bank BSB 2013 & 2014

After selecting and naming the systems, researchers produced a logic based analysis model which then will be discussed with actors in the research. The results of the discussions, which are related to learning cycle 3 and 4, can be summarized into table 4.

Table 4.
Servant Leadership Model Activity System

Activity	Human Capital Bank BSB Reality			Suggestions for Change Activities	Theoretical Framework Reflections
	Actor	Activities Description	Output		
1. Develop Bank's Corporate Plan system in a span of five (5) years according to global business context	Commissioner, board of directors, corporate secretary	Providing interpretation of the dynamics of the environment (outside-in flow) business	Vision, mission, culture and business leadership	Being appropriate with stakeholder expectations and global standards	Strategic Positioner (Ulrich, 2012, Hitt, 2010)
2. Bank's grand strategies in achieving business goals according to Bank's vision and mission and customer expectation	Headquarters (director of HCM, HCM division, HCD, functional manager) and line managers (branch, SBU, etc.)	Facilitating training and development program input periodically.	Training needs and organizational development data	Bank BSB vision and mission... realize "Go Public" in 2016 through leadership role models	Servant leadership
3. Bank positioning analysis, strategic formulation, human resources strategies, Key Performance Indicators, functional work targets and plans	HCM, HCD, BI/OJK, rating agencies, consultants and associations	Creating architectural design and HC road-map of learning, training, and development.	HC transformation architecture and roadmap in short, medium, and long-terms	Having customer-oriented and being realistic	Relationship
4. Programming activities for training, developing, and learning	HCD, Assessment center, learning center	Planning self-training implementation and self-leadership development Coordinating participation in the program of the Indonesian Banking Development Institute Coordinating inclusion public training as necessary; Planning the implementation of the leadership program on the job through stewardship activities	Training plans, development, and effective learning based on competency	Producing training, development, and learning based on talent (strengths)	Positive psychology (Seligman,) Strength finder (Sahar,) neuro linguistic programming (Bandler,)
5. Bank Business Plan is submitted to the Board of Commissioners as shareholders' representative to obtain approval and legalization	HCM, participants (ODP, MDP, ODP), providers, consultants, LPPI, learning center	Selecting participants Coordinating with the assessment center and user part (the line manager) Developing the materials and determining the certified internal trainer Facilitating the implementation, participation, and inclusion for training and development Facilitating learning by on-line, consulting, and coaching	HC professionals who recognize the business environment well awareness and master the knowledge, skills and attitudes as a strategic positioner	Completing the job competency and improving individual competencies Using talent mapping	Marcus Buckingham, Carr,
6. Bank Business Plan is regularly monitored on monthly or quarterly basis by the Board of Directors through Bank Business Plan Realization Report from the Board of Directors to Bank Indonesia	HCD, trainers / providers, implementing activities in the classroom and outside the classroom (field supervisor), the direct supervisor	Measuring the reaction, Understanding the knowledge, Understanding behaviour changes, and Calculating the Return on Investments (ROI) of training	Ranking participants, trainers, the best provider.	Communicating and celebrating learning outcomes to stakeholders (internet and extranet)	Training evaluation/effectivity (Kirkpatrick, 1994)
7. Board of Commissioners delivers the Bank Business Plan Implementation Supervisory Report to Bank Indonesia.	Human Capital Division, Performance management office and Board of Director	Conducting monthly meetings Preparing meeting reports quarterly Conducting an annual meeting for reporting to regulatory authorities (BI / FSA) and considerations	Performance records monthly, quarterly, annually	Publish consistently so that stakeholders have easy access by utilizing technology (internet and intranet)	

5. Conclusion

Based on the concept of organization development, leader and leadership usually are associated with strategic HR or strategic HRD as a continuous effort to improve performance by learning. It means they must support and facilitate the learning of individuals, groups and their organizations. Moreover, there is an increase in performance with the effort of learning that occurs on three levels: individual, group, and organization. The three levels which can lead to complex situations into focus. These complex situations have been discussed after the data collected and final paper finished.

The findings expected, that concern with the concept of a leader as a problem solver and also strategic positioner, give alternative solution for Bank BSB and further research. Besides that, the solution of the problems in Bank BSB can be reflected as alternative solutions in the academic point of view. For this purpose, SSM based AR is well indicated.

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