

The Influence of Learning Organizational Culture, Employee Engagement, Digital Transformation, and Esg On Sustainable Competitive Advantage: the Role of Transformational Leadership at Abc University, Indonesia

RENALWIN

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ABSTRACT: This study investigates the impact of Learning Organizational Culture, Employee Engagement, Digital Transformation, and Environmental, Social, Governance (ESG) on Sustainable Competitive Advantage, with a focus on the moderating role of Transformational Leadership at ABC University in Indonesia. Utilizing a quantitative research approach, primary data was collected through online questionnaires targeting managers across various leadership levels within the university. A stratified random sampling technique was employed to ensure proportional representation based on hospital levels and managerial positions. The analysis was conducted using Structural Equation Modeling Partial Least Squares (SEM-PLS), facilitating the examination of causal relationships among the variables. The findings reveal a positive indirect influence of Strategic Thinking on Competitive Advantage through Transformational Leadership, with a coefficient of 0.022 and a significance level of P-value = 0.073, supporting the hypothesis at a 90% confidence level. Additionally, the study identifies a significant positive indirect influence of Dynamic Capability on Competitive Advantage through Transformational Leadership, with a coefficient of 0.156 and a P-value of 0.001, supporting the hypothesis at a 95% confidence level. However, the results also indicate a negative influence of Dynamic Capability on Competitive Advantage, suggesting that enhancing competitiveness in the health sector necessitates the mediation of Transformational Leadership. This highlights the importance of leadership in guiding and supervising dynamic capabilities, which include internal collaboration, product updates, market synchronization, and fostering an open mindset. The study underscores the critical role of employee engagement and a learning organizational culture in driving innovation and sustaining competitive advantage in the evolving landscape of health services.

BACKGROUND

Employee Engagement is a crucial factor in maintaining the productivity and sustainability of ABC University operations in Indonesia. Guaspari (2015) explains that employee engagement includes emotional, mental, and physical aspects that collectively contribute to the well-being of the organization. Emotionally, engaged employees demonstrate a high commitment to the hospital's mission and feel connected to the organization's goals. Hester & Nico (2016) added that mentally, employee engagement is reflected in higher levels of concentration and creativity, which drive innovation and operational efficiency. Cervai et al. (2014) emphasized that maintained employee physical well-being, supported by a conducive work environment, increases productivity and work-life balance. Optimal employee engagement at ABC University contributes to improving the quality of health services, encouraging collaboration, and strengthening a positive and innovative work culture. Therefore, building and maintaining employee engagement is a strategic step for RSAD in realizing quality and sustainable health services. Is there an influence of Strategic Thinking on Competitive Advantage through Transformational Leadership? 2. Dynamic Capability towards Competitive Advantage through Transformational Leadership

LITERATURE REVIEW

The Applied Theory approach in this study includes practical concepts such as Learning Organizational Culture, which emphasizes a learning culture to enhance innovation and adaptation. Employee Engagement plays a role in driving employee commitment and productivity in supporting organizational goals. Digital Transformation involves the adoption of technology to improve efficiency and service quality. ESG (Environmental, Social, Governance) is a framework for evaluating the impact of organizational operations in terms of environment, social, and governance. Learning Organizational Culture reflects an organizational atmosphere that encourages learning as a core value for growth and innovation (Dixon, 2019). This culture strengthens creativity, reflection, and experimentation that allows organizations to remain adaptive in the face of dynamic business changes. Employees are encouraged to

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share knowledge and experiences to create relevant innovative solutions (Masie, 2023; Eaker & Marzano, 2020). The main aspects of Learning Organizational Culture include continuous learning, collaboration, flexibility, risk acceptance, learning leaders, and adaptability to change. These aspects form an innovative and adaptive environment to support organizational sustainability.

RESEARCH METHODS

Penelitian ini bertujuan untuk menganalisis pengaruh Learning Organizational Culture, Employee Engagement, Digital Transformation, dan Environmental, Social, Governance (ESG) terhadap Sustainable Competitive Advantage dengan Sustainable Leadership sebagai variabel moderasi di Universitas ABC di Indonesia. Pendekatan penelitian yang digunakan adalah metode kuantitatif dengan pengumpulan data primer melalui kuesioner daring. Populasi penelitian mencakup seluruh manajer di berbagai tingkatan kepemimpinan Universitas ABC di Indonesia. Sampel dipilih menggunakan teknik stratified random sampling untuk memastikan representasi yang proporsional sesuai dengan tingkat rumah sakit dan jabatan manajerial. Teknik analisis data menggunakan Structural Equation Modeling Partial Least Squares (SEM-PLS), yang memungkinkan pengujian hubungan kausal antar variabel serta analisis model penelitian secara menyeluruh.

RESEARCH METHODS

This study aims to analyze the influence of Learning Organizational Culture, Employee Engagement, Digital Transformation, and Environmental, Social, Governance (ESG) on Sustainable Competitive Advantage with Sustainable Leadership as a moderating variable at ABC University in Indonesia. The research approach used is a quantitative method with primary data collection through online questionnaires. The study population includes all managers at various levels of leadership at ABC University in Indonesia. The sample was selected using a stratified random sampling technique to ensure proportional representation according to the hospital level and managerial position. The data analysis technique used Structural Equation Modeling Partial Least Squares (SEM-PLS), which allows testing of causal relationships between variables and a comprehensive analysis of the research model.

RESULT AND DISCUSSION

Based on the test results, it is known that the coefficient of indirect influence of Strategic Thinking on Competitive Advantage through Transformational Leadership is 0.022, meaning that if the perception of Strategic Thinking increases, the perception of Transformational Leadership will increase, causing the perception of Competitive Advantage to increase. The results of the significance test show a P-value of $0.073 < 0.10$ (alpha 10%) so H8 is supported. It is concluded statistically at a 90% confidence level that there is a positive influence of Strategic Thinking perception on Competitive Advantage perception through Transformational perception

Based on the test results, it is known that the magnitude of the indirect influence coefficient of Dynamic Capability on Competitive Advantage through Transformational Leadership is 0.156, meaning that if the perception of Dynamic Capability increases, the perception of Transformational Leadership will increase, causing the perception of Competitive Advantage to increase. The results of the significance test show a P-value of $0.001 < 0.05$ (alpha 5%) so H7 is supported. It is concluded statistically at a 95% confidence level that there is a positive influence of Dynamic perception

CONCLUSION

There is a negative influence of Dynamic Capability on Competitive Advantage. These results indicate that companies in increasing competitiveness cannot directly come from Dynamic Capability but require the mediation variable Transformational Leadership. This is because a dynamic capability in the Health industry is a technical operational capability, where the role of a leader as a coach is needed to supervise and guide. Actions related to Dynamic Capability include: Internal Collaborative, product update and upgrade, market synchronization, open mindset, expertise, troubleshooting methods, breakthroughs, Collaboration, Internal Alligment and others.

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