

DIGITAL LEADERSHIP TRANSFORMATION AND INNOVATIVE BEHAVIOR IN IMPROVING INTRAPRENEURSHIP INTENTION AND JOB PERFORMANCE IN ISLAMIC FINANCIAL INSTITUTION

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Abstract

The development of digital leadership has becoming increasingly important as organizations face growing demands to adapt to technology-based work systems. This study aims to analyse the effect of digital leadership on intrapreneurship intention and job performance, as well as to examine the mediating role of innovative behaviour among employees of Islamic microfinance institutios BMTs. A quantitative approach was employed using the PLS-SEM method, involving 190 respondents selected through purposive sampling. The research instrument comprised four main constructs, namely digital leadership, innovative behaviour, intrapreneurship intention, and job performance. The results indicate that digital leadership has a positive and significant effect on innovative behaviour, intrapreneurship intention, and job performance. In addition, innovative behaviour is found to significantly enhance intrapreneurship intention and job performance. Another important finding reveals that innovative behaviour mediates the relationship between digital leadership and both outcome variables, indicating that innovative behaviour serves as a key mechanism through wich digital leadership is translated into employee performance and intrapreneurial outcome. Theoretically, this study strengthens the Resource-Based View by positioning digital leadership and innovative behavior as strategic intangible resources that contribute to sustainable competitive advantage in the context of digital transformation, particularly within Islamic microfinance institution. Practically, the findings suggest that BMTs should not only emphazise technological adoption but also focus on strengthening leaders' digital competencies, fostering an innovation-oriented work culture, and providing structural support that enables employees to experiment and develop intrapreneurial initiatives aligned with organizational values and sharia principles.

Keywords: *Digital Leadership, Innovative Behavior, Intrapreneurship Intention, Job Performance*

1. INTRODUCTION

The development of digital technology has become a major catalyst in driving social, economic, and organizational change worldwide (Sagbas et al., 2023). The Industrial Revolution 4.0 and the concept of Society 5.0 present new challenges for organizations to integrate technology into every aspect of their operations (Zengin et al., 2021). Developed countries such as Japan, South Korea, and Germany have demonstrated success in implementing digital leadership that drives organizational innovation and efficiency (Benitez et al., 2022). Digital leadership is a crucial foundation in ensuring that digital transformation is not solely technology-oriented but also focuses on empowering human resources to adapt and innovate amidst disruption (Brunner et al., 2023).

A leader's ability to leverage digital technology has been shown to play a crucial role in creating a collaborative, innovative, and change-responsive work environment (Erhan et al., 2022). Various studies have shown that digital leadership has a significant impact on organizational innovation and employee performance outcomes (Khunkitti et al., 2021; Sagbas et al., 2023). However, digital technology does not automatically improve organizational

performance and innovation without a leadership role that directs and facilitates the change process (Bagis et al., 2024). Bagis et al., (2025) emphasized that the success of digital transformation depends heavily on the leader's capacity to integrate technology with employee values, work meaning, and commitment, so that technology can be truly utilized as a means of improving performance and innovation. Leaders who are able to inspire and facilitate the adoption of digital technology have been shown to increase innovative behavior and foster employee intrapreneurial intentions (Szaharanityas et al., 2025). Thus, the role of digital leaders is not limited to system transformation but also to developing an innovative culture that forms the basis for improving organizational performance (Pradana et al., 2025)

In addition to digital leadership, employee innovative behavior is an important variable that has been widely studied in adapting to work in the digital era. Employee innovative behavior reflects their ability to generate, promote, and implement new ideas relevant to improving organizational processes, products, and services (Sagbas et al., 2023). In value-based organizations such as Islamic microfinance institutions, innovative behavior is influenced not only by technological sophistication but also by leadership capable of building meaningful work and alignment between innovation and organizational values. Bagis et al., (2025) emphasize that digital leadership in Islamic organizations plays a strategic role in maintaining a balance between technology-based innovation and ethical values, thereby encouraging innovative behavior without losing the organization's identity.

Intrapreneurship intention refers to an individual's intention to take an active role in creating change, innovation, and new opportunities within the organization where they work. Research by Pebriani et al., (2021) shows that innovative behavior is positively correlated with internal entrepreneurial intention, confirming that employee innovative behavior can strengthen intrapreneurial responses through motivation and psychological readiness to take risks and creativity at work. These findings enrich the understanding that in addition to leadership factors, innovative behavior and attributes such as proactiveness or alertness can be strong drivers of intrapreneurship intention. Meanwhile, job performance is an indicator of employee performance that encompasses how effectively an individual fulfills the tasks, responsibilities, and goals set by the organization. Job performance not only reflects individual abilities but is also influenced by organizational support and the work systems implemented (Bagis et al., 2021a). Innovative behavior also has an impact on improving work performance when combined with effective digital leadership (Sagbas et al., 2023). Employee performance can improve if the organization is able to provide a conducive work environment and a work system that encourages employee comfort and involvement in work (Bagis et al., 2021). In addition, research by Pardosi et al., (2025) shows that digitalization of work and digital leadership support helps build a context in which employees can achieve better performance, especially when the organization encourages and facilitates innovation through adaptive technology and culture.

Islamic microfinance institutions such as BMT (Baitul Maal Wat Tamwil) cooperatives also face the same demands for digital transformation. As financial institutions oriented towards community empowerment, BMTs are now required to integrate digital systems into their services, such as digitizing financing, Sharia accounting information systems, member service applications, and data-based monitoring mechanisms. This transformation requires BMT leaders who are able to drive the organization towards digitalization without abandoning the Sharia principles that are the institution's core identity. Value-oriented leadership, including digital leadership in Sharia organizations, plays a role not only in directing the use of technology but also in building meaningful work and employee commitment to organizational values (Bagis et al., 2025a). Thus, digital leadership in BMT is an important factor in maintaining competitiveness and improving the quality of service to members.

This study uses the Resource-Based View (RBV) approach to understand the relationship between variables, which emphasizes that an organization's competitive advantage depends on its ability to manage valuable, rare, difficult to imitate, and non-substitutable resources (Barney, 1991). Digital leadership can be categorized as an organizational strategic capability that integrates technological capabilities with adaptive human resource management (Benitez et al., 2022). Meanwhile, innovative behavior acts as a mechanism that transforms digital leadership capabilities into tangible results in the form of increased intrapreneurship intention and job performance (Sagbas et al., 2023). Based on the RBV, the combination of digital leadership and innovative behavior creates resource synergies that are difficult for competitors to imitate and form the basis for long-term competitive advantage (Pradana et al., 2025).

Various previous studies have shown both consistent and contradictory findings regarding the relationship between these variables. A study by Sagbas et al., (2023) in the technology sector in Turkey found that digital leadership had a positive effect on innovative behavior. However, this finding contradicts a study by Heru Nugroho et al., (2025) which showed that digital leadership had no significant effect on innovative behavior. These differences in results indicate that the role of digital leadership in encouraging employee innovative behavior is not universal, but rather depends heavily on the organization, human resource characteristics, and the level of digital readiness in each institution. A study by Sagbas et al., (2023) found that digital leadership had a positive effect on intrapreneurship intention, indicating that leaders who are able to utilize digital technology can encourage the emergence of internal entrepreneurial intentions in employees. However, a different result was found in a study by Schiuma et al., (2022) which stated that digital leadership is not always significant on intrapreneurship intention without a work climate open to change and innovation. These differences in findings indicate that the influence of digital leadership on intrapreneurship intention is not universal, but rather highly dependent on organizational conditions, particularly the presence of supporting factors such as work climate and employee innovative behavior. Several studies have stated that digital leadership can improve job performance, both directly and indirectly. In a study by Sagbas et al., (2023) they found that digital leadership had a positive effect on intrapreneurship intention, and job performance and innovative behavior were partial mediators. Similar findings were obtained by Brunner et al., (2023) in Germany, who confirmed that digital leadership encourages organizational innovation capacity and has implications for improving employee performance. However, different results were shown in the research of Gehan et al., (2025) which showed that digital leadership did not have a significant effect on job performance. In a study by Rahayu et al., (2025) digital leadership also found that digital leadership had no direct effect on job performance without going through innovative behavior. This inconsistency indicates that the influence of digital leadership on employee performance is not yet fully conclusive and may be influenced by certain mediating factors.

Research by Sagbas et al., (2023) found that innovative behavior has a positive effect on intrapreneurship intention, but this finding is not entirely consistent across organizations. Research by Schiuma et al., (2022) found different results, where individual innovative behavior does not always develop into intrapreneurial intention if it is not supported by an open work climate, a supportive organizational structure, and a leadership orientation towards internal entrepreneurship. This indicates that the relationship is contextual and not automatic. Rahayu et al., (2025) found that improving employee performance is not solely determined by innovative behavior but is highly dependent on organizational support and work systems that enable innovative ideas to be implemented effectively. In this case, innovative behavior does not have a significant effect on job performance if the organization does not provide reward mechanisms, resources, and innovation support structures. This is inconsistent with research by Sagbas et al.,

(2023) which found that innovative behavior has a positive and significant effect on job performance.

Several studies have confirmed the role of innovative behavior as a partial mediator between digital leadership and organizational outcomes. In the research of Sagbas et al., (2023) it was found that innovative behavior mediates the relationship between digital leadership and intrapreneurship intention and job performance. However, research Schiuma et al., (2022) shows that the influence of digital leadership on intrapreneurship intention is not always significant without the support of innovative behavior and a work climate that is open to change. This suggests that the role of innovative behavior as a mediating mechanism is still contextual and requires further testing. Research by Szaharanityas et al., (2025) in the Indonesian hospitality sector found that leadership autonomy and psychological capital had a more dominant influence on innovative behavior than the direct role of digital leadership. These findings indicate that digital leadership is not the sole primary determinant of innovative behavior, necessitating studies that reexamine the relative strength of digital leadership compared to individual and psychological factors in specific organizations. These differences in findings indicate a gap related to the inconsistency of the influence of digital leadership on innovative behavior, intrapreneurship intention, and job performance, particularly regarding the mediating role of innovative behavior.

Several studies have shown that the influence of digital leadership is direct and significant, while others confirm that this influence is weak or insignificant without the support of innovative behavior, individual psychological factors, or a specific organizational climate. This situation emphasizes that the role of innovative behavior as a mediating mechanism is still not fully conclusive and is highly dependent on the industry context and organizational culture, requiring further empirical testing in different organizational settings. Furthermore, most previous research has focused on technology-based and education-based sectors in developed countries such as Turkey, Germany, and Italy (Brunner et al., 2023; Sagbas et al., 2023; Schiuma et al., 2022), while research on the Islamic microfinance sector in developing countries is still very limited. In fact, institutions such as BMT have characteristics and a service culture based on sharia values that have the potential to influence innovative behavior and responses to digital technology.

This study conceptually replicates the research model of Sagbas et al., (2023) which examined the influence of digital leadership on intrapreneurship intention and job performance, with innovative behavior as a mediating variable. However, this replication was conducted in a fundamentally different organization, namely a Sharia microfinance institution in a developing country. This replication is important to test the consistency, external validity, and exploratory power of the Resource-Based View (RBV) theory when applied to organizations that are not purely profit-oriented and have strong religious values and collectivistic cultures. Many BMTs have begun to digitalize their services, but the implementation of digital leadership still faces challenges, such as limited quality and literacy of digital human resources, resistance to new technologies, and the need to adapt to a digital-based Sharia system. This situation opens up opportunities for empirical research to re-examine the relationship between digital leadership, innovative behavior, intrapreneurship intention, and job performance in Sharia-based microfinance organizations.

Thus, this study has an urgency to address the gap by analyzing the influence of digital leadership on innovative behavior, intrapreneurship intention, and job performance of BMT cooperative employees, as well as testing the mediating role of innovative behavior in this relationship. The results are expected to broaden theoretical understanding of the application of the Resource-Based View theory in the digitalization of Islamic microfinance institutions and provide practical contributions to BMTs in developing innovation-oriented digital leadership

strategies. Furthermore, the novelty of this study lies in testing a conceptual model of collectivistic work culture and the Islamic microfinance industry in Indonesia, particularly BMTs, which has not been widely explored by previous research.

2. LITERATURE REVIEW

Theory Resource-Based View (RBV)

The Resource-Based View (RBV) theory emphasizes that an organization's competitive advantage stems from the ownership and management of valuable, rare, difficult-to-imitate, and non-substitutable resources (Barney, 1991). In digital transformation, organizational resources encompass not only physical assets but also leadership competencies, creativity, and an innovative culture that play a strategic role in addressing change (Benitez et al., 2022). Digital leadership is considered a form of dynamic capability due to its ability to transform technological and human resources into innovative advantages (Sagbas et al., 2023). In other words, the RBV explains how leaders who adapt to digitalization can motivate employees to innovate, resulting in higher intrapreneurial intentions and job performance. The combination of digital leadership capabilities and innovative behaviors creates a synergistic effect that is difficult to imitate because it stems from the unique interaction between people, technology, and organizational values (Pradana et al., 2025). Therefore, RBV theory becomes a conceptual basis in explaining the mechanism of how digital leadership (as a strategic capability) can influence intrapreneurship intention and job performance through innovative behavior as a high-value mediating resource.

The Influence of Digital Leadership on Innovative Behavior

Digital leadership emphasizes a leader's ability to utilize digital technology to direct, motivate, and develop employee potential so they can adapt to change (Sagbas et al., 2023). Effective leaders are able to influence subordinate behavior through transformational behaviors that encourage creativity, trust, and psychological growth (Robbins & Judge., 2024). This aligns with the RBV concept, which positions digital leadership as a strategic organizational capability (Benitez et al., 2022). Digital leaders act as facilitators of innovation, fostering a culture of experimentation (Brunner et al., 2023), while leadership behaviors that support participation and empowerment are known to enhance employee creativity (Robbins & Judge., 2024). Leader support in providing digital tools and creative spaces encourages employees to exhibit innovative behavior (Khunkitti et al., 2021). Empirical findings indicate that digital leadership has a positive effect on innovative behavior because visionary leaders who are open to technology can foster employee confidence in innovation (Benitez et al., 2022; Sagbas et al., 2023). Therefore, the higher the level of digital leadership in an organization, the greater the tendency for employees to exhibit innovative behavior.

H1: Digital leadership has a positive influence on innovative behavior.

The Influence of Digital Leadership on Intrapreneurship Intention

Intrapreneurship intention reflects an individual's desire to create and implement new ideas within an organization (Schiuma et al., 2022). Based on RBV theory, intrapreneurial intention is a form of internal capability that arises from the interaction between human resources and an organization's strategic leadership (Barney, 1991). Leaders who demonstrate trust, provide autonomy, and allow for risk-taking can increase internal entrepreneurial tendencies (Robbins & Judge, 2024). Digital leaders strengthen this process by utilizing technology, collaboration, and open communication (Sagbas et al., 2023). Research by Sagbas et al., (2023) found that digital leadership significantly influences intrapreneurial intention because digital leaders are able to channel entrepreneurial spirit through the use of technology and

collaborative communication. Therefore, the greater the leader's ability to implement digital leadership, the stronger the employee's tendency to become an intrapreneur in their workplace.
H2: Digital leadership has a positive influence on intrapreneurship intention.

The Influence of Digital Leadership on Job Performance

Job performance is a tangible manifestation of an individual's effectiveness in carrying out tasks based on organizational goals (Benitez et al., 2022). From the RBV perspective, digital leadership can improve performance through an organization's ability to efficiently manage technology-based human resources (Barney, 1991). Digital leaders who are able to implement technology-based work systems not only accelerate work processes but also facilitate cross-functional collaboration, information transparency, and rapid decision-making (Brunner et al., 2023). This kind of support creates working conditions that motivate employees to achieve optimal results. Empirical research supports that digital leadership has a positive influence on job performance, both directly and through increasing the organization's innovative capabilities (Sagbas et al., 2023). Thus, an effective digital leadership style will improve individual productivity and work quality.

H3: Digital leadership has a positive effect on Job Performance.

The Influence of Innovative Behavior on Intrapreneurship Intention

Innovative behavior reflects an individual's readiness to identify opportunities and implement new ideas that have the potential to create added value (Erhan et al., 2022). In organizations, employees who exhibit innovative behavior tend to demonstrate a strong drive for intrapreneurship because they possess the confidence and desire to transform processes to become more efficient (Schiuma et al., 2022). Innovative behavior fosters intrapreneurship intention through two main pathways. First, individuals who actively innovate typically possess a high level of intrinsic motivation to improve working conditions. Second, innovative behavior builds cognitive abilities in recognizing internal business opportunities within the organization (Sagbas et al., 2023). Research by Sagbas et al., (2023) demonstrated that innovative behavior positively influences intrapreneurship intention, meaning employees accustomed to creative and innovative thinking are more likely to develop new ideas for organizational advancement. Therefore, innovative behavior is a key determinant of intrapreneurial intention in the workplace.

H4: Innovative behavior has a positive effect on intrapreneurship intention.

The Effect of Innovative Behavior on Job Performance

In RBV theory, innovative behavior can be considered a highly valuable intangible resource because it enhances an organization's ability to adapt to change (Barney, 1991). Employees who exhibit innovative behavior typically strive to find creative solutions and implement new ideas to improve their performance (Benitez et al., 2022). Robbins & Judge., (2024) confirm that individual creativity is correlated with productivity, effectiveness, and work excellence. Research by Brunner et al., (2023) shows that employee innovative behavior improves performance because it results in process efficiency and increased productivity. Furthermore, leadership support that encourages autonomy strengthens the relationship between innovative behavior and work outcomes (Sagbas et al., 2023). Thus, innovative behavior not only reflects creative thinking skills but is also a key driver in increasing individual effectiveness and performance within an organization.

H5: Innovative behavior has a positive effect on job performance.

The Mediating Role of Innovative Behavior in the Influence of Digital Leadership on Intrapreneurship Intention

Digital leadership creates a supportive environment for innovative behavior, while innovative behavior itself serves as a bridge connecting leadership and intrapreneurial intention. Empirical findings Sagbas et al., (2023) show that the influence of digital leadership on intrapreneurship intention becomes indirect when innovative behavior is included as a mediator. This innovative behavior then acts as a mediating mechanism that transforms the influence of digital leadership into intrapreneurial intention, as employees accustomed to thinking creatively and implementing new ideas are more motivated to take internal entrepreneurial initiatives. In RBV theory, innovative behavior is an intangible resource that transforms leadership capabilities into more valuable outcomes (Barney, 1991). This suggests that digital leadership enhances intrapreneurial intention by encouraging employee innovative behavior, which fosters a spirit of positive change within the organization.

H6: Innovative behavior mediates the influence of digital leadership on intrapreneurship intention.

The Mediating Role of Innovative Behavior in the Effect of Digital Leadership on Job Performance

In digital organizations, digital leadership improves job performance not only through direct supervision but also through fostering innovative behaviors that drive improved work quality (Benitez et al., 2022). Digital leaders play a role in providing access to technology, data, and experimental space, encouraging employees to generate new solutions to improve work efficiency (Brunner et al., 2023). In this case, innovative behavior serves as an internal mechanism that mediates the influence of digital leadership on job performance when implemented in daily work processes. Research by Sagbas et al., (2023) demonstrated that innovative behavior has a partial mediating role between digital leadership and job performance. In other words, effective digital leadership strengthens innovative behavior, and this innovative behavior is a key factor in achieving high performance.

H7: Innovative behavior mediates the influence of digital leadership on job performance.

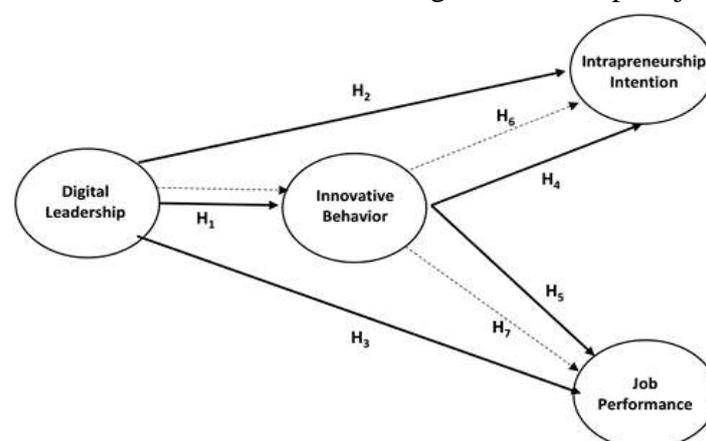


Figure 1. Hypothesis Framework

3. RESEARCH METHODS

This research is a quantitative study and is a replication of the research by Sagbas et al., (2023) with the aim of testing the influence of digital leadership on intrapreneurship intention and job performance, as well as the mediating role of innovative behavior. This study has seven hypotheses that are analyzed referring to the model used in the research of Sagbas et al., (2023) in examining the relationship between digital leadership and innovative behavior in

organizations. This quantitative approach was chosen because it is effective in testing causal relationships between latent variables and provides objective statistical estimates (Jr et al., 2017; Sagbas et al., 2023).

The research population was 63 employees of BMT Dana Mentari Muhammadiyah, BMT Al-Mujahidin (37 people), BMT Best (74 people), BMT Amanah Indonesia (45 people), BMT Buana Nawa Kartika (16 people), KSPPS Hikmah Sumber Rejeki (12 people), BMT Telaga Mitra Sejahtera (10 people), KSPPS Annur Khoiru Ummah (11 people), KSPPS Annur Mandiraja (12 people), BMT Al-Amin (12 people), BMT Khonsa Indonesia Sejahtera (24 people), BMT Buana Mas (13 people), and BMT EL-Hikmah (9 people), so that the total population was 338 respondents. The selection of 13 Baitul Maal wat Tamwil (BMT) as research objects was based on the suitability of BMT characteristics with the variables studied, namely digital leadership, innovative behavior, intrapreneurship intention, and job performance. BMT is a sharia microfinance institution currently in the adaptation phase to digital transformation, marked by the implementation of financial information systems, administrative digitization, and the use of technology in services and work coordination. The BMT that is the object of this study has begun implementing or striving for service digitalization, both in the form of the use of financial information systems, member service applications, administrative digitization, and the use of communication technology in work coordination. The sampling technique in this study used purposive sampling, because this study aims to examine the causal relationship between digital leadership, innovative behavior, intrapreneurship intention, and job performance. In addition, purposive sampling was used to ensure that the data obtained truly comes from individuals relevant to this study. The respondent criteria in this study were permanent employees who have worked for at least one year. The number of samples was determined using the Slovin formula with a 5% error rate, resulting in a minimum requirement of 183 respondents. To avoid errors, the number of samples used in this study was all respondents who had completed the survey via Google Form, totaling 190 respondents. Data collection was carried out online via Google Form using a five-point Likert questionnaire. Of the 190 questionnaires returned and deemed suitable for analysis, a response rate of 56.2% was achieved. This response rate was deemed adequate for survey-based quantitative research and met the analysis requirements using the PLS-SEM method (Hair et al., 2021).

The research instrument was compiled based on indicators from the research of Sagbas et al., (2023) and adapted to the context of this study. The Digital Leadership variable uses 6 items (Zeike et al., 2019), Innovative Behavior is measured using 9 items (Janssen., 2000), Intrapreneurship Intention uses 6 items (Linan et al., 2009), Job Performance uses 4 items (Sigler et al., 2000). Data were analyzed using Structural Equation Modeling (SEM) based on Partial Least Squares (PLS), in line with the method used in the reference study to ensure the suitability of the structural model testing and the relationships between variables.

4. RESULTS AND DISCUSSION

This study used the Partial Least Squares (PLS) method, as recommended by Hair et al., (2021), because it is able to predictively evaluate relationships between constructs and is suitable for social data that is not always normally distributed. All distributed questionnaires were successfully collected with a 100% return rate.

Table 1. Response Demographics

Identity	Description	Frequency	Percentage
Company Origin	BMT Dana Mentari	43	22,6
	Muhammadiyah	24	12,6
	BMT Al Mujahidin Karya Utama	50	26,3
	BMT Best	10	5,3
	BMT Amanah Indonesia	9	4,7
	BMT Buana Nawa Kartika	8	4,2
	KSPPS Hikmah Sumber Rejeki	7	3,7
	BMT Telaga Mitra Sejahtera	7	3,7
	KSPPS Annur Khoiru Ummah	6	3,2
	KSPPS Annur Mandiraja	5	2,6
	BMT Al Amin	3	1,6
	BMT El-Hikmah	15	7,9
	BMT Khonsa Indonesia Sejahtera	3	1,6
	BMT Buana Mas		
Gender	Male	104	54,7
	Female	86	45,3
Age	20-25 years	14	7,4
	>25-35 years	81	42,6
	>35-45 years	68	35,8
	>45->50 years	27	14,2
Years of service	1-3 years	19	10,0
	>3-5 years	50	26,3
	>5-10 years	55	28,9
	>10 years	66	34,7

Analysis of respondent characteristics shows that the majority of participants came from BMT BEST (26.3%), which accounts for the highest proportion because this institution has a larger workforce or a higher level of respondent participation than other BMTs/KSPPS. In terms of gender, respondents were predominantly male (54.7%), indicating a tendency for men to still dominate the Islamic microfinance sector, although the distribution is relatively balanced. In terms of age, the largest group was in the 25-35 year range (42.6%), indicating that many respondents were in the early to mid-career phase with a good level of engagement and adaptability in the work environment. In terms of length of service, respondents with more than 10 years of service (34.7%) were the dominant group, indicating that long service periods are assumed to foster a strong understanding of operational procedures, organizational culture, and the institution's internal dynamics.

The data management process in this study was conducted using SmartPLS 3, as recommended by Hair et al., (2021) who explained that PLS-SEM is effective for analyzing relationships between constructs predictively and comprehensively. This method simplifies the model while providing more in-depth structural information. The resulting research findings are presented below.

Table 2. Outer Loading

	Question Items	Outer Loading
Digital Leadership		
DL. 1	My leader uses digital technology to support communication and work coordination.	0.943
DL. 2	My leader is able to use digital data to make more informed decisions.	0.932
DL. 3	My leader encourages employees to master new technologies in the workplace.	0.915
DL. 4	My leader sets an example in implementing digital transformation in the organization.	0.925
DL. 5	My leader guides teams to innovate using digital tools.	0.929
DL. 6	My leader creates a work environment that supports technology-based collaboration.	0.926
Innovative Behavior		
IB. 1	I generate new ideas to solve work problems.	0.925
IB. 2	I look for new opportunities to improve work processes.	0.937
IB. 3	I propose new ways to increase work efficiency.	0.933
IB. 4	I try to implement innovative ideas in my work.	0.930
IB. 5	I am willing to take risks to try new approaches.	0.925
IB. 6	I seek additional information to support innovation in the workplace.	0.925
IB. 7	I strive to involve colleagues in implementing new ideas.	0.918
IB. 8	I develop ideas into concrete, actionable plans.	0.913
IB. 9	I evaluate the results of new ideas I have implemented for further improvement.	0.932
Intrapreneurship Intention		
II.1	I have a strong desire to develop new business ideas within the company.	0.919
II.2	I am willing to take risks to implement new work ideas in my workplace.	0.931
II.3	I feel capable of creating innovations that are valuable to the company.	0.929
II.4	I plan to start a new project within this organization.	0.935
II.5	I am committed to developing new solutions that can improve organizational performance.	0.936
II.6	I believe I can be a pioneer in creating change in the workplace.	0.929
Job Performance		
JP.1	I complete tasks with satisfactory results and on time.	0.937
JP.2	I demonstrate a high level of responsibility for the quality of my work.	0.952
JP.3	I strive to exceed company-set targets.	0.940
JP.4	I make a positive contribution to team and organizational performance.	0.928

The analysis results show that all variables have outer loading values above 0.7. High outer loading values indicate that the indicators are able to adequately represent the constructs being measured. High outer loading values, particularly for indicators such as DL1 (0.943), IB2 (0.937), II5 (0.936), and JP2 (0.952), indicate a strong contribution of these indicators in explaining the latent variables. The outer loading evaluation process was carried out without eliminating any indicators, because all indicators met the minimum threshold of 0.7 recommended in PLS analysis (Hair et al., 2021). Thus, all items in the four constructs were retained in the model, and the consistency of outer loading values, which were in the adequate to very strong category, strengthened the validity of the instrument and ensured that the research constructs could be measured properly (Hair et al., 2021).

Table 3. Construct Reliability and Validity

	Composite Reliability	Average Variance Extracted (AVE)	Cronbach's Alpha
Digital Leadership	0.974	0.862	0.968
Innovative Behavior	0.982	0.858	0.979
Intrapreneurship Intention	0.974	0.864	0.969
Job Performance	0.968	0.882	0.956

Based on all reliability and construct validity values, the variables for Digital Leadership, Innovative Behavior, Intrapreneurship Intention, and Job Performance were recorded as being above 0.7. The AVE (Average Variance Extracted) value indicates that the overall construct value is above 0.5, indicating that all variables can be declared reliable (Hair et al., 2021).

Table 4. Fit Model

	Saturated Model	Estimated Model
SRMR	0.028	0.039
d_ ULS	0.252	0.499
d_ G	0.333	0.343
Chi-Square	363.484	372.327
NFI	0.945	0.944

The model fit test results showed that the SRMR value for the saturated model was 0.028 and the estimated model was 0.039. Both values are below the recommended ideal limit of 0.08 (Hair et al., 2021). Therefore, it can be concluded that the model has a good level of fit and is suitable for further analysis.

Meanwhile, the R-Square test results indicate that the model has good explanatory power for each endogenous variable. For Job Performance, the R-Square value of 0.345 (Adjusted 0.338) indicates that the model can explain 34.5% of the variation, with the remainder influenced by factors outside the study. For Intrapreneurship Intention, the R-Square value of 0.560 (Adjusted 0.555) indicates strong predictive ability, with 56% of the variation in intrapreneurial intention explained by the constructs in the study. Meanwhile, Innovative Behavior has the highest R Square, namely 0.422 (Adjusted 0.419), which shows that the model is able to explain 42.2% of the variation in employee innovative behavior, so that the explanatory power of the exogenous construct on this variable is in the strong category.

Table 5. Discriminant Validity

	Digital Leadership	Innovative Behavior	Intrapreneurship Intention	Job Performance
Digital Leadership	0.928			
Innovative Behavior	0.650	0.926		
Intrapreneurship Intention	0.699	0.657	0.930	
Job Performance	0.565	0.489	0.554	0.939

The results of the discriminant validity test indicate that all constructs meet the Fornell-Larcker criteria, as indicated by a higher AVE square root value on the diagonal than the correlation between variables. This confirms that each construct in the model is clearly distinguishable from the others. Furthermore, the relatively low to moderate correlation values between variables indicate the absence of multicollinearity. Therefore, the research instrument can be declared to have good discriminant validity and is suitable for use in further structural analysis.

Table 7. Path Coefficients

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Result
DL – IB	0.650	0.652	0.039	16.486	0.000	Accepted
DL – II	0.470	0.465	0.060	7.826	0.000	Accepted
DL – JP	0.428	0.425	0.067	6.396	0.000	Accepted
IB – II	0.352	0.357	0.058	6.043	0.001	Accepted
IB – JP	0.211	0.217	0.075	2.830	0.005	Accepted
DL – IB – II	0.229	0.233	0.042	5.480	0.000	Accepted
DL – IB – JP	0.137	0.142	0.050	2.764	0.006	Accepted

Hypothesis acceptance testing was conducted by referring to the significance value, where a p-value <0.05 indicates that the hypothesis is accepted and the tested effect is declared significant (Hair et al., 2021). The first hypothesis shows that Digital Leadership has a significant positive effect on Innovative Behavior, with a coefficient value of 0.650 and a p-value of 0.000 (<0.05). This means that this finding indicates that the more effective digital leadership practices implemented in the organization, the higher the tendency of employees to demonstrate innovative behavior. In the second hypothesis, Digital Leadership was also shown to have a significant positive effect on Intrapreneurship Intention, indicated by a coefficient value of 0.470 and a p-value of 0.000 (<0.05). This indicates that strong digital leadership can encourage the emergence of internal entrepreneurial intentions in employees. The third hypothesis shows that Digital Leadership has a significant positive effect on Job Performance, with a coefficient value of 0.428 and a p-value of 0.000 (<0.05). These findings indicate that leaders who are able to effectively manage and integrate digital technology can improve

employee performance. The fourth hypothesis shows that Innovative Behavior has a significant positive influence on Intrapreneurship Intention, with a coefficient of 0.352 and a p-value of 0.0001 (<0.05). This means that employees who are active in generating and implementing new ideas tend to have a stronger intention to engage in intrapreneurial activities.

Furthermore, in the fifth hypothesis, Innovative Behavior was also proven to have a significant positive effect on Job Performance, with a coefficient value of 0.211 and a p-value of 0.004 (<0.05). Although its influence is relatively smaller compared to other variables, this finding confirms that innovative behavior still contributes to improving employee performance. The sixth hypothesis, Innovative Behavior was proven to be able to mediate the effect of Digital Leadership on Intrapreneurship Intention, with a coefficient value of 0.229 and a p-value of 0.000 (<0.05). This finding indicates that digital leadership not only directly influences intrapreneurial intention, but also through the formation of employee innovative behavior. Furthermore, the seventh hypothesis, Innovative Behavior was proven to mediate the effect of Digital Leadership on Job Performance, with a coefficient value of 0.137 and a p-value of 0.006 (<0.05). This finding confirms that improved employee performance is not only generated through direct direction from digital leaders, but also through innovative behavior formed due to the support of digital leadership.

Overall, all seven hypotheses showed significant and acceptable results, indicating that all direct relationships in the model were shown to have a positive influence in the direction of the research hypothesis. These findings confirm that digital leadership and innovative behavior are important determinants in the formation of intrapreneurial intentions and the improvement of BMT employee performance.

Discussion

The Effect of Digital Leadership on Innovative Behavior

Digital leadership has a positive effect on innovative behavior. This finding indicates that the more effective a leader is in utilizing digital technology, the more likely employees are to exhibit innovative behavior. This finding aligns with the hypothesis developed by Sagbas et al., (2023) which emphasizes that digital leaders create a work environment conducive to creativity and the exploration of new ideas. Benitez et al., (2022) also emphasize that digital leadership is a strategic capability that encourages the growth of innovative behavior in the face of organizational transformation. Robbins & Judge., (2024) also explain that leadership support and the granting of autonomy can increase employee motivation and new ideas. This consistency is also supported by Khunkitti et al., (2021), who found that technology-based leadership support strengthens innovative capabilities through easy access to digital information.

Thus, the results of this study confirm that digital leadership is a crucial element in developing employee innovative behavior in BMTs.

The Influence of Digital Leadership on Intrapreneurship Intention

Digital leadership has been shown to have a significant effect on intrapreneurial intention. These results align with Sagbas et al., (2023) who demonstrated that digital leaders enhance intrapreneurial spirit through technological support, open communication, and a culture of measured risk-taking. These findings also confirm the hypothesis developed by Benitez et al., (2022) who asserted that utilizing digital capabilities strengthens employees' drive to generate new ideas within the organization.

In the Resource-Based View theory (Barney, 1991), digital leadership is a strategic capability capable of creating value through the leader's role in optimizing human and technological resources. This approach aligns with Robbins & Judge., (2024) who emphasize

that leadership that provides trust, support, and autonomy encourages employees to take risks and develop new projects.

In this regard, BMT has a flexible work structure and dense interpersonal interactions, which have the potential to strengthen the effect of digital leadership on intrapreneurial intention.

The Influence of Digital Leadership on Job Performance

Digital leadership has a positive effect on job performance. This finding is consistent with Sagbas et al., (2023) who found that digital leaders enhance work effectiveness through accelerated technology-based processes, digital coordination, and more precise decision-making. Research by Brunner et al., (2023) also supports the belief that digital leadership enhances innovation capacity, which in turn improves individual performance within an organization.

Benitez et al., (2022) emphasize that digital leadership is a strategic capability that optimizes the use of technology to increase productivity and work quality. In RBV theory, this aligns with Barney, (1991) view that leaders who are able to utilize technology as a superior resource can enhance the value and competitive advantage of an organization. Therefore, in this study, digital leadership remains a significant determinant influencing employee performance at BMT.

The Influence of Innovative Behavior on Intrapreneurship Intention

Innovative behavior has a positive effect on intrapreneurship intention. These results support the findings of Sagbas et al., (2023) who asserted that innovative behavior is the foundation of intrapreneurial intention because innovative individuals are better able to identify opportunities and develop new ideas. Erhan et al., (2022) also emphasized that individuals who actively innovate have a strong tendency to take calculated risks and develop new projects as a form of contribution to the organization. Furthermore, Schiuma et al., (2022) asserted that intrapreneurship grows from an innovative mindset shaped by an organizational culture that encourages creativity.

These findings emphasize that when BMT employees develop a habit of creating, developing, and implementing new ideas, their tendency to initiate intrapreneurial initiatives is strengthened

The Influence of Innovative Behavior on Job Performance

Innovative behavior has been shown to positively influence job performance. This finding is consistent with Brunner et al., (2023) who demonstrated that individual innovation improves process efficiency and the quality of work achieved. Benitez et al., (2022) also confirmed that innovation is a critical capability that increases added value in performance. Furthermore, Sagbas et al., (2023) emphasized that innovative behavior enables employees to generate new solutions that impact work process optimization. Meanwhile, Janssen, (2000) explained that innovative behavior includes idea generation, idea promotion, and idea implementation—three phases directly related to improved performance. Robbins & Judge., (2024) added that creativity plays a key role in driving high performance because creative individuals are better able to find effective solutions.

In RBV theory (Barney, 1991), innovative behavior is a valuable intangible resource capable of providing a competitive advantage by improving the quality of performance. Thus, the innovative behavior of BMT employees is a crucial factor in increasing work effectiveness and productivity.

The Mediating Role of Innovative Behavior in the Influence of Digital Leadership on Intrapreneurship Intention and Job Performance

The results of this study indicate that innovative behavior mediates the relationship between digital leadership and intrapreneurship intention and job performance. This finding aligns with research by Sagbas et al., (2023) which states that digital leadership indirectly improves individual outcomes through increased innovative behavior. Research by Benitez et al., (2022) emphasizes that innovation is a transformational mechanism that bridges digital leadership capabilities with organizational outcomes. Furthermore, Brunner et al., (2023) also explain that digital leaders shape an innovative culture that subsequently results in increased performance and intrapreneurial intentions.

Thus, the findings of this study confirm that in a BMT environment with strong social interactions and structural support, innovative behavior can function as an effective mediator.

5. CONCLUSIONS AND RECOMMENDATIONS

The results of this study confirm that Digital Leadership is a strategic capability that directly improves Innovative Behavior, Intrapreneurship Intention, and Job Performance of BMT employees. Innovative Behavior was also shown to be a significant factor driving intrapreneurial intention and performance, while also acting as a significant mediator, strengthening the influence of digital leadership on both outcomes. These findings suggest that the effectiveness of digital leadership will be optimal when organizations are able to foster a culture of innovation at the individual level. Based on this, BMTs need to strengthen the digital competencies of leaders, provide experimental spaces and innovation forums, and develop intrapreneurship programs that encourage employees to generate new ideas that are valuable to the organization. Furthermore, optimizing technology and strengthening digital work systems are crucial for increasing productivity and service accuracy. Future research is recommended to expand the regional context, add variables such as digital readiness or organizational culture, and use a longitudinal design to more comprehensively understand the dynamics of digital leadership and innovative behavior.

Further Research

This study has several limitations, particularly the limited regional coverage. Therefore, the generalizability of the findings remains to be tested on BMTs in other regions. It is recommended that further research expand the organizational context, use a longitudinal design, and add variables such as organizational culture or digital readiness to enrich the understanding of the dynamics of digital leadership and innovative behavior in modern organizations.

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