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EXPLORING THE INFLUENCE OF DIGITAL LEADERSHIP ON ENTREPRENEURIAL INTENTIONS IN RELIGIOUS INSTITUTIONS

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Abstract: The present research investigates the influence of digital leadership on entrepreneurial intentions, with value concretion as a mediating variable and innovation capabilities as a moderating factor in the context of religious organizations. As digital transformation increasingly permeates various sectors, religious organizations are compelled to embrace innovation and foster entrepreneurial mindsets to sustain and expand their influence. Using a quantitative approach, data were collected from respondents affiliated with religious organizations through structured questionnaires. Moderated Regression Analysis (MRA) was employed to examine the relationships between the variables. The findings indicate that digital leadership significantly enhances entrepreneurial intentions, and this effect is strengthened by innovation capabilities. Additionally, value co-creation plays a pivotal mediating role, reinforcing the relationship between digital leadership and entrepreneurial intentions. The results underscore the critical role of digital leadership in fostering a culture of innovation and entrepreneurship within religious organizations. By leveraging innovation capabilities as a moderating factor and encouraging collaborative value creation, religious leaders can drive sustainable growth and empower communities to actively participate in economic initiatives. This study contributes to the existing body of knowledge by highlighting the intersection of digital leadership, entrepreneurship, and value co-creation in the unique context of religious organizations, offering practical insights for leadership development and strategic planning.

Keywords: Digital Leadership, Value Co-Creation, Innovation Capabilities, Entrepreneurial Intentions, Religious Organizations.

INTRODUCTION

Organizations in a variety of industries are realizing more and more how important it is to implement digital leadership tactics in order to stay competitive and relevant in the face of the swift digital change. Religious

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institutions, which have historically been less receptive to technology developments, are now under tremendous pressure to use digital tools in order to maintain and grow their impact. In order to maintain their relevance in a constantly changing world, religious organizations must embrace creative mindsets and entrepreneurial practices due to the digital transformation brought about by technological improvements and shifting societal needs (Kamble et al., 2020). As a crucial element of organizational transformation, digital leadership helps executives to stay loyal to the organization's basic mission and values while navigating the challenges of the digital age. Digital leadership for religious organizations entails more than just implementing new technology; it also entails cultivating an innovative and entrepreneurial culture that can improve institutional growth and community participation (Kane et al., 2019). Religious organizations must reconsider their approaches to engagement, innovation, and value generation in light of the growing impact of digital platforms on society. These approaches should be in line with their spiritual goals as well as the pragmatic requirements of their local communities.

Value co-creation, the process by which businesses and stakeholders jointly create value, is an essential component of this transition. Co-creation has been extensively researched in the non-profit and commercial sectors, and it is especially pertinent to religious institutions. Religious organizations can engage their communities in meaningful interactions and promote mutual benefit and a sense of shared purpose by implementing value co-creation (Prahalad & Ramaswamy, 2004). Religious organizations can improve their digital engagement tactics and provide more individualized experiences by utilizing co-creation, which will ultimately promote both spiritual and financial well-being. Simultaneously, innovative skills are essential for overcoming the obstacles posed by digital transformation. Strong innovation capabilities enable organizations to better address the changing needs of their stakeholders and adjust to shifting technological landscapes. Innovation for religious organizations can take many shapes, ranging from the launch of innovative community involvement tactics to the creation of new digital services. Religious organizations can increase their operational effectiveness and expand their influence and impact by utilizing their innovative capabilities (Nambisan et al., 2017). Innovation skills can be a vital enabler of sustainable growth when combined with digital leadership, assisting religious organizations in thriving in a world that is becoming more linked and complex.

The relationship between digital leadership, entrepreneurial intentions, value co-creation, and innovation capabilities within religious organizations has not received much empirical attention, despite the fact that there is a wealth of literature on the subject in the business and technology sectors. Previous research has mostly focused on businesses or non-profits in general, ignoring the particular dynamics and difficulties that religious institutions face. This empirical vacuum underscores the need for studies that investigate the relationship between digital leadership and entrepreneurial intents in religious organizations, with a focus on the moderating effects of innovation capabilities and the mediation function of value co-creation. In order to fill this vacuum, the current study adds to the body of literature by investigating how digital leadership might help religious organizations develop an innovative and entrepreneurial culture that will help them adapt to and prosper in the digital world.

The need for more research into how digital leadership, value co-creation, and innovation capabilities affect Entrepreneurial intents within religious organizations is highlighted by the expanding convergence of these three areas. Religious leaders must embrace digital leadership while developing an entrepreneurial attitude that propels the organization towards greater impact and sustainability, as digital tools transform stakeholder interactions and organizational processes. By adding to the body of evidence already available on digital leadership,

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entrepreneurship, and value creation in the context of religious organizations, this study seeks to further our comprehension of the connections among these variables.

The convergence of digital leadership, value co-creation, and innovative capabilities within religious organizations has not received enough attention, despite their extensive study in business contexts. An important gap is the paucity of empirical research on the relationship between value co-creation and digital leadership and entrepreneurial intents, especially when innovation capabilities act as a moderator (Kamble et al., 2020; Khan et al., 2021). In order to offer insights that help guide leadership practices, encourage innovation, and propel long-term success within religious organizations, future research should place a high priority on analyzing these dynamics.

LITERATURE REVIEW

Digital Leadership and Entrepreneurial Intention

Digital leadership has increasingly been recognized as a key driver of entrepreneurial intention across various Organizational contexts. It involves the strategic use of digital technologies to foster innovation, transform processes, and create new value (Kane et al., 2019). Leaders who effectively integrate digital tools can inspire entrepreneurial behavior by promoting agility, risk-taking, and visionary thinking (El Sawy et al., 2020). In religious organizations, digital leadership facilitates outreach, enhances operational efficiency, and fosters new entrepreneurial ventures (Kamble et al., 2020). However, empirical evidence examining this relationship within religious institutions remains limited, indicating a significant gap in the literature (Khan et al., 2021).

Value Co-Creation and Entrepreneurial Intention

Value co-creation is a process where organizations collaborate with stakeholders to jointly create value, fostering Innovation and enhancing service delivery (Prahalad & Ramaswamy, 2004). This collaborative effort has been linked to increased entrepreneurial intentions, as co-creation encourages stakeholder involvement and innovative problem-solving (Payne et al., 2008). In religious organizations, value co-creation can enhance community engagement, drive social initiatives, and stimulate entrepreneurial activity (Setiawan & Wahyudi, 2020). Despite its recognized importance, limited research explores how value cocreation directly influences entrepreneurial intentions within religious settings, underscoring the need for further empirical studies (Grönroos & Voima, 2013).

The Moderating Role of Innovation Capabilities in the Relationship Between Digital Leadership and Entrepreneurial Intention Innovation capabilities are critical in amplifying the effects of digital leadership on entrepreneurial intention. Organizations with strong innovation capabilities are more adept at transforming leadership initiatives into entrepreneurial ventures (Tidd & Bessant, 2020). In the context of religious organizations, innovation capabilities may manifest through the adoption of digital platforms for outreach or the development of new community programs (Kusumawardani et al., 2021). Research shows that innovation capabilities moderate the relationship between leadership and entrepreneurial outcomes, reinforcing the importance of fostering innovative environments (Kim et al., 2020). However, the specific moderating effect of innovation capabilities on the link between digital leadership and entrepreneurial intention in religious organizations remains underexplored, highlighting an empirical gap.

The Moderating Role of Innovation Capabilities in the Relationship between Value Co-Creation and Entrepreneurial Intention

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The relationship between value co-creation and entrepreneurial intention can be significantly strengthened by Innovation capabilities. When organizations possess high levels of innovation capabilities, they are better positioned to leverage co-creative processes for entrepreneurial gains (Nambisan et al., 2017). Religious organizations with strong innovation capabilities can transform co-created initiatives into sustainable entrepreneurial ventures (Thornton et al., 2021). Despite the theoretical understanding of this relationship, empirical studies examining the moderating role of innovation capabilities in the co-creation-

entrepreneurial intention link within religious organizations are scarce, suggesting a fertile area for future research.

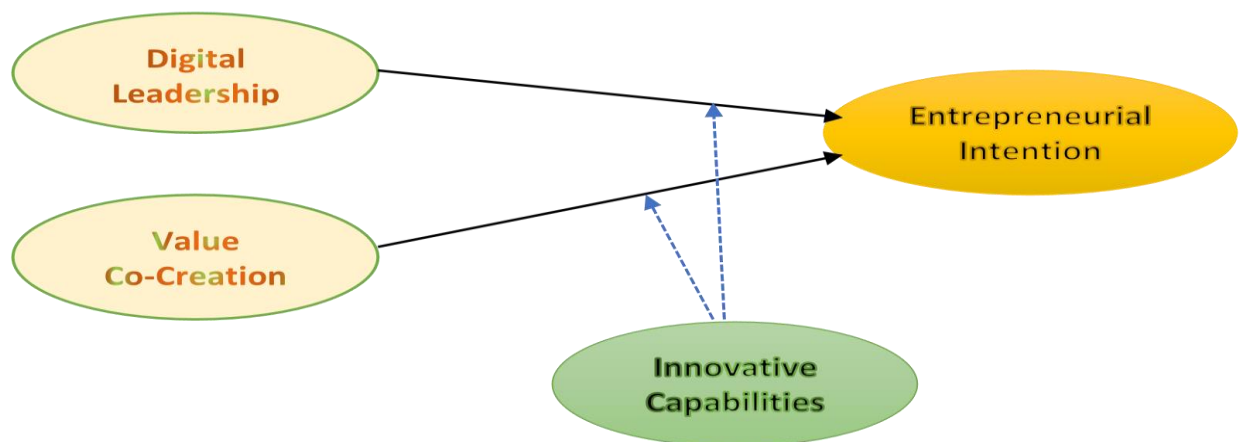


Figure 1. Research Model

RESEARCH METHODOLOGY

This study adopts a quantitative approach with the objective of measuring and understanding the relationships and

Impacts between variables, specifically examining the influence of digital leadership on entrepreneurial intentions, with value concretion acting as a mediating variable and innovation capabilities as a moderating factor. The sample for this study consists of 250 individuals who are members of a religious organization. A census sampling technique was employed, where all 250 individuals from the organization were included in the sample. Data collection was conducted through a structured survey distributed via Google Forms, which included questions designed to assess the variables of digital leadership, entrepreneurial intentions, value co-creation, and innovation capabilities. The data analysis technique used was **Moderated Regression Analysis (MRA), which was applied to examine the relationships between the variables and to test the hypotheses regarding the moderating and mediating effects within the proposed model.

Variable Measurement

In this study, each questionnaire item was measured using a 5-point Likert scale, ranging from 1-5, with point 1 Indicating that the respondent strongly disagrees, while point 5 indicates that the respondent strongly agrees with the statement. This study uses Digital Leadership, Value Co-Creation, Innovation Capabilities and Entrepreneurial Intention variables. The research instruments in data collection were developed from relevant previous research as follows:

1. Digital Leadership is measured using 8 indicator items adopted from Mahmudi and Monavvar (2016).
2. Value Co-Creation is measured using 8 indicator items adopted from Ahmed et al. (2022)

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3. Innovative Capabilities is measured using 6 indicator items adopted from Kasper (2018).
4. Entrepreneurial Intention is measured using 8 indicator items adopted from Hao, He & Long (2017).

RESEARCH RESULTS AND DISCUSSION

Respondent Profile

Table 1. Characteristics of Respondents

Respondent Characteristics	Total
Gender	
Male	128
Female	122
Respondent Characteristics	Total
Age	
20 - 34 years	78
35 – 49 years	118
> 50 years	54
Education	
High School	81
Bachelor Degree	113
Master Degree	56

Source: Data Processing, 2024

Based on the results of obtaining data based on the characteristics of the respondents, this study found that the Majority of respondents were male as many as 128 people from the questionnaires that had been distributed. Based on age, the majority of respondents are aged 30-40 years as many as 118 people. Then based on the latest education, the majority of respondents have the latest education up to the Bachelor level as many as 113 people.

Moderated Regression Analysis (MRA)

To test the relationship of each variable between the independent, dependent, and moderating variables, multiple linear regression regression tools are used. The interaction test and absolute difference value test have a tendency to have high multicollinearity between independent variables and this will violate the classical assumptions in ordinary least square (OLS) regression to overcome this multicollinearity, another method is developed called the residual test.

Multiple Linear Regression Analysis Results

Tabel 2. Multiple Linear Regression Analysis

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.410	.326		1.256	.213
X1	.569	.115	.566	4.953	.000

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X2	.297	.120	.282	2.468	.016
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a. Dependent Variable: Y

Source: Data Processing SPSS, 2024

From the table above, the following equation is obtained:

$$Y = 0.410 + 0.569X1 + 0.297X2$$

From the results of the multiple linear regression equation, each variable can be interpreted as follows:

- The constant value is positively marked at 0.410 which indicates that if the Digital Leadership and Value Co-Creation variables, there is no change or equal to 0, then Entrepreneurial Intention is 0.410.
- The communication variable has a positive regression coefficient of 0.569, this means that if the value of X1 (Digital Leadership) changes with the assumption that the Value Co-Creation variable remains, then Entrepreneurial Intention will change by 0.569. So the better Digital Leadership owned by employees, the higher Entrepreneurial Intention will be.
- The work discipline variable has a positive regression coefficient of 0.297, this means that if the value of X2 (Value CoCreation) changes with the assumption that the Digital Leadership variable remains, the Entrepreneurial Intention will change by 0.297. So the better Value Co-Creation is implemented, the higher Entrepreneurial Intention will be.

Path Coefficient Data Analysis

- It is known that the significance value of the Digital Leadership (X1) variable, which is $0.000 < 0.05$, concludes that the Digital Leadership (X1) variable has a significant effect on the Entrepreneurial Intention (Y) variable.
- It is known that the significance value of the Value Co-Creation variable (X2), which is $0.016 < 0.05$, concludes that the Value Co-Creation variable (X2) has a significant effect on the Entrepreneurial Intention variable (Y).

The Result of Moderated Regression Analysis

Tabel 4. Regression Equation Moderated Regression Analysis Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.208	.357		3.383	.001
X1	.953	.568	.947	3.679	.000
X2	.496	.543	.470	3.913	.000
Moderation1	.267	.161	1.251	3.037	.001
Moderation2	.224	.154	1.640	3.450	.001

a. Dependent Variable: Y

Source: Data Processing SPSS, 2024

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Data Analysis

1. It is known that the significance value of the interaction variable between Digital Leadership and Innovative Capabilities is $0.001 < 0.05$, it concludes that the Innovative Capabilities variable is able to moderate the effect of Digital Leadership on Entrepreneurial Intention.
2. It is known that the significance value of the interaction variable between Value Co-Creation and Innovative Capabilities is $0.001 < 0.05$, it is concluded that the Innovative Capabilities variable is able to moderate the effect of Value Co-Creation on Entrepreneurial Intention.

DISCUSSION

Discussion of Data Analysis Results

The results of the multiple linear regression analysis provide valuable insights into the relationship between Digital Leadership, Value Co-Creation, and Entrepreneurial Intention. The interpretation of the regression equation and path analysis results highlights the significant influence of these variables on entrepreneurial tendencies within the context of religious organizations.

Interpretation of Regression Coefficients

- The constant value of 0.410 indicates that even in the absence of Digital Leadership and Value Co-Creation, there is a baseline level of Entrepreneurial Intention. This suggests that other latent factors may contribute to entrepreneurial tendencies, aligning with previous research by Al-Omoush, H., Simón-Moya, V., & Sendra-García, J. (2022), which underscores the presence of intrinsic entrepreneurial motivations beyond external variables.
- The positive regression coefficient of 0.569 for Digital Leadership implies that improvements in Digital Leadership are associated with an increase in Entrepreneurial Intention. This finding is consistent with the study by Elia, G., Margherita, A., & Passiante, G. (2021), which emphasizes the role of digital competencies and leadership in fostering innovation and entrepreneurial behavior within organizations. The positive relationship suggests that leaders equipped with digital skills can inspire and facilitate entrepreneurial initiatives among employees, reinforcing the importance of digital transformation in contemporary organizational settings.
- Similarly, the Value Co-Creation variable exhibits a positive regression coefficient of 0.297, indicating that enhanced Value Co-Creation practices contribute to higher Entrepreneurial Intention. This corroborates the findings of Ramaswamy, V., & Ozcan, K. (2020), who highlight the critical role of co-creation in developing innovative solutions and driving entrepreneurial engagement. The results emphasize that fostering collaborative environments and encouraging stakeholder participation can significantly boost entrepreneurial initiatives.

Path Analysis and Moderation Effects

- The path analysis results reveal that Digital Leadership significantly influences Entrepreneurial Intention, with a p-value of 0.000, well below the 0.05 threshold. This supports the assertion made by Avolio, B. J., Sosik, J. J., Jung, D. I., & Berson, Y. (2021) that digital leadership practices are essential for cultivating entrepreneurial mindsets and fostering innovation within organizations. The statistical significance underscores the necessity for religious organizations to invest in digital leadership development to enhance entrepreneurial engagement among their members.
- Moreover, the Value Co-Creation variable also demonstrates a significant effect on Entrepreneurial Intention ($p = 0.016$), reinforcing the findings of Prahalad, C. K., & Ramaswamy, V. (2019). This suggests that

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value co-creation strategies are integral to promoting entrepreneurial behavior by involving organizational members in the innovation process and ensuring their contributions are recognized and utilized.

- The moderation analysis indicates that Innovative Capabilities significantly moderate the relationship between Digital Leadership and Entrepreneurial Intention ($p = 0.001$). This finding aligns with the research of Nambisan, S. (2021), who posits that innovative capabilities amplify the effects of digital initiatives on entrepreneurial outcomes. Similarly, the interaction between Value Co-Creation and Innovative Capabilities also yields a significant result ($p = 0.001$), supporting the notion that fostering innovation enhances the impact of co-creation efforts on entrepreneurial intention.

Implications and Contributions to Literature

These results contribute to the existing body of knowledge by demonstrating the pivotal role of digital leadership and value co-creation in enhancing entrepreneurial intention within religious organizations. The findings underscore the importance of integrating digital strategies and collaborative practices to drive entrepreneurial engagement. Additionally, the moderation effect of innovative capabilities highlights the need for organizations to cultivate innovation as a core competency to maximize the benefits of leadership and co-creation efforts.

CONCLUSION

The findings of this study highlight the essential role of Digital Leadership and Value Co-Creation in fostering Entrepreneurial Intention within religious organizations. Digital Leadership significantly enhances entrepreneurial tendencies, while Value Co-Creation complements this effect by fostering collaboration and engagement. Furthermore, the moderating role of Innovative Capabilities underscores the importance of fostering innovation as a strategic priority. This research contributes to the growing body of literature emphasizing the intersection between leadership, innovation, and entrepreneurship in organizational contexts.

LIMITATIONS AND FUTURE RESEARCH

While this study provides valuable insights, several limitations should be acknowledged. First, the study is limited to religious organizations, which may restrict the generalizability of the findings to other organizational contexts. Second, the sample size of 250 respondents, while adequate, may not fully capture the diversity within religious organizations. Future research could expand the sample size and include different types of organizations to enhance the generalizability of the results. Additionally, longitudinal studies could provide deeper insights into the dynamic relationships between Digital Leadership, Value Co-Creation, and Entrepreneurial Intention over time. Lastly, exploring additional moderating or mediating variables, such as organizational culture or digital infrastructure, could further enrich the understanding of these relationships.

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