
**From Servant Leadership to Organizational Sustainability Mediated by
Innovation Capability in the Professional Organization Pormiki**

Tedy Hidayat¹, Bahtiar Usman², Lucy Warsindah³
^{1,2,3}School of Economic and Business, Universitas Trisakti
Jalan Kyai Tapa No. 1 Grogol; Jakarta Barat, Indonesia, 11440

doi.org/10.51505/IJEBMR.2024.8811

URL: <https://doi.org/10.51505/IJEBMR.2024.8811>

Received: July 06, 2024

Accepted: July 22, 2024

Online Published: Aug 08, 2024

Abstract

This research aims to analyze and explain the influence of Servant Leadership on Organizational Sustainability, mediated by Innovation Capabilities, within the Professional Association of Indonesian Health Information Management (PORMIKI). The study is designed based on a quantitative paradigm with a survey to test causality using a cross-sectional time horizon. The research population consists of 18,427 board members of the regional executive boards across Indonesia, with a sample of 413 selected using the quota sampling method. Data analysis employs Structural Equation Modeling (SEM) for inferential analysis. The results indicate that most respondents are women with varied years of service. Servant leadership can enhance innovation capabilities and organizational sustainability. Servant leadership is a resource and a learning source for determining innovation capabilities and organizational sustainability. The findings extend the understanding of the importance and mechanisms of servant leadership for organizational sustainability. These results have practical implications for organizational leaders and open opportunities for further research.

Keywords: Servant Leadership, Organizational Sustainability, Innovation Capability.

1. Introduction:

The study of servant leadership has attracted the attention of both academics and practitioners. Servant leadership represents a paradigm shift in leadership. The complexity of organizational challenges and the dynamics of interactions between leaders and subordinates have driven the paradigm shift towards servant leadership. According to De Silva et al. (2023), servant leadership is a significant factor in organizational sustainability. This leadership model focuses on serving others as the main principle of leadership itself.

The implementation of servant leadership can be observed in several organizations, including PORMIKI, in Indonesia. This institution aims to develop the potential of medical record and health information professionals (PMIK) in the fields of medical record and health information (RMIK) science and technology to support the National Health System, develop an internationally standardized medical record and health information system, and advocate for and protect the interests of the profession and its members. PORMIKI, as an entity focused on the medical record profession, faces several significant challenges, especially at the regional level. The main issues include the fluctuation and decline in organizational members, particularly at the

Provincial Regional Executive Board (DPD) level. Maintaining and expanding the membership network is one of the main obstacles in dealing with membership dynamics.

The limitations in adapting to changes in the external environment, regulations, and industry trends present serious challenges for leadership at PORMIKI, impacting organizational sustainability. However, the servant leadership style is counterproductive in supporting organizational sustainability. There is a difference in the influence of servant leadership in countries with high power distance and collectivism towards subordinates (Mishra & Hassen, 2023). Studies show that the effectiveness of servant leadership in organizations varies (Canavesi & Minelli, 2022). Servant leadership does not always guarantee organizational sustainability. Servant leadership may not be effective when viewed from a contingency perspective for all situations and conditions. According to Liu et al. (2023), challenges and criticisms are associated with the servant leadership style conceptually and in practice.

Effective leadership styles depend on various situational factors, including the characteristics of the organization, tasks, and followers (Freeman & Fields, 2020; Huikko-Tarvainen, 2022; Lyubykh et al., 2022; Monehin & Diers-Lawson, 2022). To achieve effective leadership, leaders must identify situational characteristics and take actions appropriate to the situation. The contingency approach recognizes the diversity and complexity of organizations and emphasizes the importance of intelligent and contextual responses to the various situations leaders face, including servant leadership.

Servant leadership is related to innovation capabilities (Zada et al., 2023). Leaders' behaviors that serve employees encourage innovation capabilities. The impact of servant leadership on its followers' positive outcomes is greater than other similar leadership constructs, such as ethical, authentic, and transformational leadership (Madison & Eva, 2019). This contrasts with Ruiz-Palomino and Zoghbi-Manrique-de-Lara (2020), who state that not all characteristics of servant leadership can encourage innovation capabilities. Servant leadership has a lower ability to influence employees' innovation capabilities, as noted by Liu & Pak (2022), than leadership styles such as transformational leadership. According to Eva et al., (2019), servant leadership is a holistic form of leadership that emphasizes the development of followers in various aspects, including ethical, rational, emotional, relational, and spiritual dimensions.

Innovation capabilities are linked to organizational sustainability as a predictor. Khan et al. (2020) assert that more empirical research is needed on the influence of organizational culture on innovative work behavior. There is a contradiction regarding the impact of servant leadership on employees' innovation capabilities, which ultimately affects organizational sustainability. Organizational sustainability reflects the interaction between the organization and its environment and how it responds to demands to continue developing and thriving by making optimal contributions to societal issues. Whelan & Fink, (2016) propose that the theoretical framework of organizational sustainability continues to evolve in response to environmental changes. Kiranantawat & Ahmad, (2022) emphasize that factors related to organizational sustainability have not been extensively explored. Organizational sustainability is highly dynamic and complex.

Based on the existing gaps, namely 1) the contradiction regarding the concept and role of servant leadership in promoting innovation and sustainability and 2) the lack of studies exploring factors related to organizational sustainability, this research offers a construction of servant leadership and its functions for organizations. Servant leadership can be viewed from various perspectives of positive psychology in leadership. Positive psychology in leadership will draw concepts from general leadership theories and link them with the principles of positive psychology that encourage growth, empowerment, happiness, and well-being of individuals within the leadership context (Abbas et al., 2022; Adams et al., 2020). Applying positive psychology in the context of servant leadership can be used as a framework to create innovative and sustainable capabilities. Leadership development based on positive psychology can play a central role in determining the direction and performance of organizations across various critical dimensions. This approach has important implications for enhancing organizational resilience. It is critical in various management aspects, including policy planning, decision-making, implementation, change management, and subordinate behavior. The research aims to analyze the influence of servant leadership on organizational sustainability mediated by innovation capabilities within the professional organization PORMIKI in Indonesia.

2. Literature Review

2.1 Underpinning Foundational Theory: Positive Psychology Leadership

Positive psychology in leadership is related to the principles of positive psychology for individuals in leadership (Abbas et al., 2022; Adams et al., 2020). This includes aspects such as the application of individual strengths, the development of positive relationships, the promotion of engagement, and the creation of a supportive work environment for organizational sustainability. Positive psychology explains how organizations face these challenges and is essential for individual and organizational success (Batool et al., 2022; Cai et al., 2023). Positive psychology in leadership is related to policy planning, decision-making, and implementation, as well as change management and human behavior, and it is considered one of the critical factors essential for organizational success (Rahmanseresht & Yavari, 2017). A leadership approach based on positive psychology determines whether an organization succeeds or fails by influencing its direction and performance across various critical dimensions (Abbas et al., 2022). Eksili (2023) asserts that ideal leadership behavior demonstrates positive attitudes emphasizing trust, fairness, employee well-being, and psychological capital.

2.2 Servant Leadership

Servant Leadership was introduced by Greenleaf (1904-1990) in his work titled "The Servant as Leader" (Azila-Gbettor, 2023; Mishra & Hassen, 2023; Watson, 2019; Najam & Mustamil, 2022). Servant leadership is a moral and inclusive leadership style oriented towards others (Azila-Gbettor, 2023). Servant leadership is defined as (1) "an other-oriented leadership approach, (2) manifested through a one-on-one approach, prioritizing the needs and interests of individual followers, (3) and a reorientation from self-concern to concern for others within the organization and the larger community" (Canavesi & Minelli, 2022; Eva et al., 2019). Liden et al. (2015) state that servant leadership emphasizes personal honesty and service rather than satisfying personal needs. Najam & Mustamil (2022) and Batool et al. (2022) explain that

servant leadership is an other-oriented leadership approach, manifested through a one-on-one approach, prioritizing the needs and interests of individual followers, and reorienting from self-concern to concern for others within the organization and the larger community. Servant leadership is defined as a pattern of leadership behavior where leaders prioritize the needs and well-being of their followers, which in turn has a positive impact at various levels, including individual, team, and organizational levels. Liu et al. (2023) define servant leadership as centred on employees, focusing on their needs and growth, providing necessary resources, and offering support and attention.

2.3 Innovation capabilities

Innovation capability involves the ability to integrate diverse information and the willingness to take risks in creating new solutions (Wang & Netemeyer, 2004). Innovation capability is the ability to overhaul business paradigms, generate innovative products and services, and promote sustainability (Lozano, 2014). Elidemir et al. (2020) define innovation capability as the ability or process to generate new ideas or innovative solutions to a problem or challenge. Batool et al. (2022) convey innovation capability as the ability of individuals or groups to generate new ideas, creative concepts, and innovative solutions to address challenges or problems faced. Innovation capability is the ability to generate unconventional ideas using past knowledge in innovative ways (Fetrati et al., 2022; Kiranantawat & Ahmad, 2022; Souto, 2022). At the organizational level, Sariol & Abebe, (2017) argue that innovation is a strategic tool to strengthen competitive positions. Sung & Kim, (2021) state that organizational innovation encompasses an organization's capability and effort to generate, adopt, and apply new ideas or creative solutions to enhance efficiency, effectiveness, and competitiveness. Azeem et al. (2021) assert that innovation contributes to organizational development and is a key success factor in the market.

2.4 Organizational Sustainability

Organizational sustainability has become accepted as a shared idea to achieve a more balanced order. Neubaum & Zahra (2006) define organizational sustainability as the business capacity to nurture and drive progress by effectively meeting the expectations of various stakeholders. According to Székely & Knirsch, (2005), organizational sustainability encompasses maintaining and expanding economic progress, shareholder value, reputation, customer associations, and product and service quality. Ong et al. (2015) define organizational sustainability as living and operating by utilizing a mechanism that integrates and meets ecological, economic, and social requirements without compromising the well-being of future generations. Li et al., (2019) define organizational sustainability as the ability of an organization to remain existent and thrive in the long term, considering not only economic and environmental aspects but also human aspects. AlQershshi et al., (2023) explain that sustainable business is about economic continuity and includes social and environmental aspects to create a sustainable positive impact. Kiranantawat & Ahmad (2022) define it as a broad concept of the triple bottom line approach, encompassing key dimensions of environmental protection, social justice, and economic development. Batool et al., (2023) define organizational sustainability as the ability to build long-term value for stakeholders by applying business strategies that consider ethical, social, environmental, cultural, and financial aspects.

3. Hypothesis Development

3.1 The Influence of Servant Leadership on Organizational Sustainability

Servant leadership creates an environment focused on trust, empowerment, and employee well-being while motivating individuals to achieve personal success and organizational goals. Taylor & Pearce, (2013) argue for a positive causal relationship between adopting servant leadership approaches in strategic leadership and governance that support sustainability within organizations. Çop et al., (2020), Staufer and Maxwell (2020), Khan et al. (2020), and Iqbal et al., (2020) explain the positive influence of leadership on sustainability, both directly and indirectly. Batool et al., (2023) further assert that servant leadership positively impacts organizational sustainability. The proposed hypothesis is:

Ha1: Servant leadership has a positive influence on organizational sustainability.

3.2 The Influence of Servant Leadership on Innovation Capability

Servant leadership implies that leaders who are oriented towards service, prioritizing the needs and development of their followers, can positively impact organizational creativity. In servant leadership, leaders aim to assist and empower their followers. Liu & Park, (2022) argue that servant leadership positively influences employee creativity. Servant leadership provides opportunities to share knowledge that stimulates creativity (Zada et al., 2022). Leaders stimulating supportive and attentive environments can foster employee creativity (Hou et al., 2023; Yang et al., 2016). They state that servant leadership encourages employees' motivation to become more creative. Servant leadership emphasizes the importance of empowering employees, meaning giving them responsibility and trust to take initiative in their work and be more creative (Ruiz-Palomino & Zoghbi-Manrique-de-Lara, 2020; Gelaidan et al., 2022). Servant leadership can create an environment where creativity is empowered and strengthened, which in turn can enhance innovation and productivity within the organization (Aboramadan, 2020; Alyahya et al., 2023; Huang & Paterson, 2017; Karatepe et al., 2020). Watson (2019) suggests servant leaders create an environment where employees can perform exceptionally, akin to the path-goal theory framework. Leaders create learning opportunities as a foundation for fostering creativity (Kumar et al., 2023; Zada et al., 2022). Regarding servant leadership, Ngah et al. (2023) explain that servant leadership creates a better organizational environment, especially in managing volunteers and promoting excellent performance that is creative in problem-solving. The proposed hypothesis:

Ha2: Servant leadership has a positive influence on innovation capability.

3.3 Innovation Capability Mediates the Influence of Servant Leadership on Organizational Sustainability

In the context of servant leadership, leaders primarily act as servants to help subordinates achieve goals by removing barriers and actively engaging in supporting work to foster creativity that ensures organizational sustainability. Le et al. (2020) and Batool et al. (2022) argue that servant leadership influences innovation capability, ultimately supporting organizational sustainability. Zada et al. (2022) add that in line with social learning theory, servant leadership promotes employee creativity and performance, which ultimately supports organizational sustainability. According to data from 289 nurses and doctors through a multi-wave survey (i.e.,

surveys at intervals), servant leadership positively influences employee and organizational creativity. Knowledge sharing partially mediates the relationship between servant leadership. Employee creativity develops through knowledge-sharing processes based on interactions between leaders and subordinates. The proposed model shown in Figure 1. Proposed hypothesis: *Ha3: Innovation capability mediates the influence of servant leadership on organizational sustainability.*

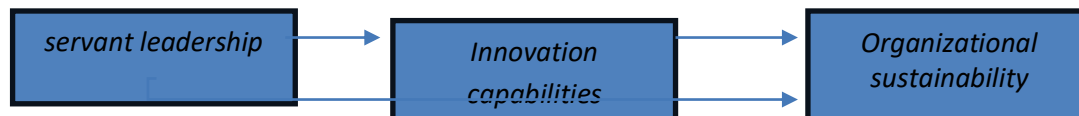


Figure 1. Proposed model (developed for this research)

4. Research Method

The method follows a hypothetico-deductive approach through a survey aimed at testing whether the independent variables influence the dependent variables, as per Sekaran & Bougi (2019). The research utilizes a cross-sectional time horizon, meaning that information is collected only once within a specific period, referred to as a One-Shot approach (Sekaran & Bougie, 2019). The One-Shot study is conducted at a specific time in 2024, employing multivariate and univariate analysis methods. The unit of analysis in this research is the Regional Boards of PORMIKI spread across 30 provinces in Indonesia. Respondents involved are assumed to represent the conditions under study, with a minimum sample size determination of 200 (Hair et al., 2014). Given the 30 Regional Boards, the allocation follows the quota sampling method, with each respondent representing their respective Regional Board, totalling 413 respondents.

The operationalization of research variables is as follows: Servant leadership is a leadership approach centred on serving others, oriented towards developing individuals and communities, and encompassing holistic dimensions that include various aspects of individual or follower life, according to Batool et al. (2022). Measurement of Servant Leadership involves 5 dimensions developed into 23 indicators.

Innovation capability is the group's ability to generate new ideas, creative concepts, and innovative solutions to address problems or challenges involving thinking beyond conventional boundaries, seeking alternatives, and practically applying these ideas. Innovation capability is measured by Batool et al. (2022) through 1) Presentation, 2) Tasks, 3) Idea generation, 4) Problem evaluation, 5) New perspectives on old problems, 6) Improvisation, and Creative idea generation.

Organizational sustainability is the organization's ability to achieve alignment between economic, social, and environmental sustainability through governance policies and practices. It is measured based on Batool et al. (2022), which uses three dimensions and 20 indicators: economic, social, and environmental.

Measurement involves an ordinal scale using Likert scale responses ranging from 1 to 5: Strongly Disagree (1), Disagree (2), Somewhat Disagree (3), Agree (4), and Strongly Agree (5). Questionnaires will be distributed 3-4 weeks after approval for pilot testing. Before data collection, the researchers ensure adherence to research ethics following the Helsinki Principles by ensuring participants understand the research objectives and how their data will be used. Participant privacy and data confidentiality are protected. The research data analysis design utilizes SEM covariants as per Hair et al. (2019).

5. Result

The inner model describes the relationship between latent variables based on substantive theory (see Figure 2).

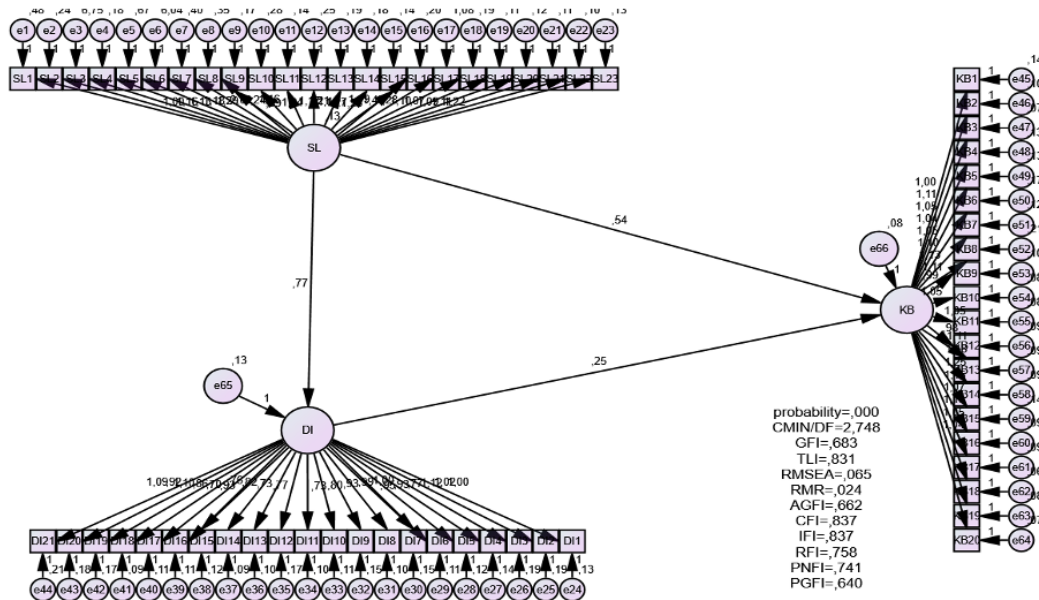


Figure 2. Full Model Standardized Regression Weight
Source: Data Processing Results (2024)

According to the test results in the form of a path diagram, each latent variable has relationships with other latent variables. The testing outcomes for developing and determining the measurement model of variables are as follows (see Table 1).

Table 1. Factor weight test results

Path			Estimate	S.E.	C.R.	P	Standardized Regression Weight
SL1	<---	SL	1,000				0.464
SL2	<---	SL	1,168	0.131	8,941	***	0.658
SL3	<---	SL	1,155	0.379	3,051	0.002	0.159
SL4	<---	SL	1,193	0.129	9,261	***	0.720
SL5	<---	SL	1,294	0.169	7,668	***	0.497
SL6	<---	SL	1,993	0.393	5,068	***	0.281
SL7	<---	SL	1,247	0.15	8,339	***	0.579
SL8	<---	SL	1,172	0.14	8,358	***	0.582
SL9	<---	SL	0.996	0.112	8,921	***	0.662
SL10	<---	SL	1,244	0.141	8,796	***	0.646
SL11	<---	SL	1,180	0.125	9,420	***	0.755
SL12	<---	SL	1,189	0.134	8,865	***	0.653
SL13	<---	SL	1,215	0.132	9,217	***	0.714
SL14	<---	SL	1,283	0.138	9,302	***	0.737
SL15	<---	SL	1,259	0.132	9,504	***	0.769
SL16	<---	SL	1,194	0.131	9,108	***	0.698
SL17	<---	SL	1,452	0.202	7,202	***	0.452
SL18	<---	SL	1,290	0.139	9,275	***	0.730
SL19	<---	SL	1,102	0.117	9,447	***	0.763
SL20	<---	SL	1,070	0.115	9,328	***	0.745
SL21	<---	SL	1,083	0.115	9,403	***	0.757
SL22	<---	SL	1,110	0.116	9,547	***	0.785
SL23	<---	SL	1,231	0.129	9,551	***	0.780
DI1	<---	DI	1,000				0.765
DI2	<---	DI	1,024	0.064	16,095	***	0.709
DI3	<---	DI	1,110	0.066	16,785	***	0.734
DI4	<---	DI	0.771	0.051	14,974	***	0.668
DI5	<---	DI	0.93	0.053	17,397	***	0.758
DI6	<---	DI	0.953	0.053	18,127	***	0.784
DI7	<---	DI	0.998	0.059	16,974	***	0.741
DI8	<---	DI	0.987	0.052	18,810	***	0.804
DI9	<---	DI	0.925	0.056	16,410	***	0.721
DI10	<---	DI	0.805	0.049	16,335	***	0.720
DI11	<---	DI	0.733	0.046	15,842	***	0.701
DI12	<---	DI	0.777	0.056	13,890	***	0.626
DI13	<---	DI	0.727	0.046	15,846	***	0.702

Path		Estimate	S.E.	C.R.	P	Standardized Regression Weight	
DI14	<---	DI	0.822	0.047	17,662	***	0.771
DI15	<---	DI	0.755	0.05	15,228	***	0.679
DI16	<---	DI	0.929	0.053	17,623	***	0.765
DI17	<---	DI	0.692	0.046	15,049	***	0.671
DI18	<---	DI	0.854	0.048	17,780	***	0.772
DI19	<---	DI	1,101	0.064	17,309	***	0.757
DI20	<---	DI	0.914	0.06	15,215	***	0.677
DI21	<---	DI	1,086	0.067	16,199	***	0.715
KB1	<---	KB	1,000				0.666
KB2	<---	KB	1,113	0.067	16,728	***	0.758
KB3	<---	KB	1,052	0.06	17,558	***	0.805
KB4	<---	KB	1,044	0.067	15,584	***	0.703
KB5	<---	KB	1,052	0.067	15,646	***	0.706
KB6	<---	KB	1,095	0.073	14,914	***	0.669
KB7	<---	KB	1,126	0.07	16,182	***	0.735
KB8	<---	KB	1,109	0.078	14,138	***	0.633
KB9	<---	KB	0.987	0.061	16,065	***	0.731
KB10	<---	KB	1,053	0.062	16,970	***	0.778
KB11	<---	KB	1,046	0.061	17,029	***	0.780
KB12	<---	KB	0.984	0.061	16,241	***	0.740
KB13	<---	KB	1,111	0.065	17,219	***	0.789
KB14	<---	KB	1,171	0.068	17,146	***	0.789
KB15	<---	KB	1,245	0.076	16,402	***	0.749
KB16	<---	KB	1,151	0.067	17,262	***	0.795
KB17	<---	KB	1,069	0.064	16,625	***	0.761
KB18	<---	KB	1,127	0.063	17,931	***	0.833
KB19	<---	KB	1,042	0.062	16,797	***	0.769
KB20	<---	KB	1,038	0.06	17,253	***	0.794

Source: Data Processing Results, with SPSS 23

Based on the data processing results, each standardized regression weight factor has a value > 0.5. According to Hair et al. (2014), a standardized regression weight > 0.5 indicates that each observed variable significantly contributes to explaining changes in latent variables (variables that are not directly observed). Each observed variable can be measured by its respective latent variable based on the test results. Factors with weights > 0.5 also show p-values indicating the significance of the acceptable factor weights. In this study, there are several indicators with factor weights < 0.50, which are therefore not used to reflect the latent variables, as follows (see Table 2).

Tabel 2. Results of testing the weights of eliminated indicator factors

Observed Variable	Estimate	Statement
SL6	0.281	A competent leader assists in calming their subordinates' emotional issues. [6]
SL17	0.452	A competent leader convinces subordinates to pay contributions according to the applicable regulations [17]

Source: Data Processing Results (2024)

Further, the path diagram from the initial modeling is arranged. First, the influence of servant leadership on innovation capability is significant, with a Critical Ratio (C.R.) value of 3.572, indicating a strong relationship between these two variables. Next, the influence of innovation capability on organizational sustainability is significant, showing a positive relationship between these constructs. Converting the path diagram into specific equations allows us to determine the magnitude of influence between latent variables and their dimensions. Once the complete path diagram is constructed, the next step is to convert the path diagram into equations, namely the measurement equations for exogenous latent variables, measurement equations for endogenous variables, and structural equations among latent variables, outlined as follows:

Innovation Capabilities= 0.179 (SL)

Organizational Sustainability= 0.129 (SL+ 0.199 (DI)

The results of the AVE testing indicate that 66.4% of servant leadership is reflected by the indicators constructed in this study, consistent with previous research and the theoretical foundation used. Innovation capability has an AVE value, meaning that its observed variables can reflect the latent variable by 55.3%. The indicators in this study reflect organizational sustainability by 59.2%. The composite reliability level > 0.7 indicates that the indicators have high reliability and can distinguish each latent variable according to the discriminant validity value. The results of the discriminant validity test show that each indicator has a higher correlation with its respective latent variable compared to other latent variables. As shown in the following table (see Table 3).

Table3. The average variance extracted, composite reliability, and discriminant validity testing

No	Variable	AVE	CR	Discriminant Validity				
				SL	BO	PR	IC	OS
1	Servant Leadership (SL)	0.428	0.920					
2	Innovation Capabilities (IC)	0.553	0.948	0.101	0.112	0.123		
3	Organizational Sustainability (OS)	0.638	0.932	0.096	0.079	0.079	0.105	

Source: Data Processing Results, with SPSS 23

Based on the provided information, it can be observed that all research variables have an average variance extracted value, indicating that the constructs being measured sufficiently explain their variance. Additionally, all variables have excellent composite reliability values above 0.7, demonstrating a high level of reliability. The results of convergent validity, composite reliability, and discriminant validity tests indicate the reliability and validity of the measured constructs. The results of the discriminant validity tests show that all variables in the model have a high level of reliability and can be well distinguished from one another. Assessment of the model's goodness of fit. The test results are as follows (see Table 4).

Table 4. Model fit test for the research model

Goodness-of-Fit	Cut-off Value	Initial Test Results	Improvem ent Results	Compatibi lity
<i>Absolut fit measure:</i>				
P-Value (Sig.)	> 0,05	0.000	0.051	Fit
Chi-Square/df	≤ 3	2.563	1.927	Fit
GFI (Goodness of Fit Index)	≥ 0,90	0.825	0.912	Fit
RMSEA (Root et al. of Approximation)	≤0,08	0.062	0.031	Fit
RMR (Root Mean Square Residual)	≤ 0,05	0.093	0.022	Fit
<i>Incremental fit measure:</i>				
AGFI (Adjusted Goodness of Fit Index)	≥ 0,90	0.803	0.911	Marginal
CFI (Comparative Fit Index)	≥ 0,90	0.877	0.908	Fit
IFI (Incremental Fit Index)	≥ 0,90	0.878	0.911	Fit
RFI (Relative Fit Index)	≥ 0,95	0.892	0.952	Fit
<i>Parsimonious fit measure:</i>				
PNFI (Parsimonious Normed Fit Index)	>0.6	0.666	0.742	Fit
PGFI (Parsimonious Goodness of Fit Index)	Mendekati 1	0.5933	0.689	Marginal

Source: Data Processing Results (2024)

Based on the output of the model fit test for the exogenous construct, most model fit criteria fall into the "good fit" category. Latan (2012) states that 4 to 5 goodness of fit criteria are sufficient to assess a model's adequacy as long as each type of goodness of fit absolute fit indices, incremental fit indices, and parsimony fit indices is represented. Thus, it can be concluded that the confirmatory model's goodness of fit test is acceptable after model adjustments. For absolute fit measures, the P-value (sig.) is above 0.05, chi-square/df is below 3, and both the GFI (Goodness of Fit Index) and RMSEA (Root Mean Square Error of Approximation) meet the criteria with appropriate values. For incremental fit measures, the AGFI (Adjusted Goodness of

Fit Index), CFI (Comparative Fit Index), IFI (Incremental Fit Index), and RFI (Relative Fit Index) all meet the criteria with satisfactory values. Regarding parsimonious fit measures, the PNFI (Parsimonious Normed Fit Index) meets the criterion with a value above 0.6, while the PGFI (Parsimonious Goodness of Fit Index) approaches the desired criterion. It can be concluded that the confirmatory model's goodness of fit test is acceptable after model adjustments, although some criteria remain in the "marginal" category. The results of hypothesis testing are as follows (see Table 5). The study results show that all proposed hypotheses are accepted.

Table 5. Hypothesis test results based on standardized regression weight

Hypothesis	Beta Coefficient	p-value	Decision
Ha1: Servant leadership has a positive impact on organizational sustainability.	0.54	0.000	Supported
Ha2: Servant leadership has a positive impact on innovation capability.	0.77	0.000	Supported
Ha3: Innovation capability mediates the relationship between servant leadership and organizational sustainability.	0.173	0.00	Supported

Note: t-test=1.96; Z test standar=2.004

Source: Data Processing Results (2024)

6. Discussion

Servant leadership has a significant impact on organizational sustainability. PORMIKI is a non-profit organization that is not profit-oriented, yet its management is highly committed to running it. The servant leadership style can be observed in the leaders' behavior in realizing PORMIKI's vision of becoming a reliable professional organization in health information management at the international level by 2025. Leaders help their members develop their profession accordingly. Servant leadership, introduced by Greenleaf (1970), significantly impacts organizational sustainability by creating an environment focused on service, individual growth, collaboration, ethical values, and the well-being of team members.

Servant leadership is a leadership style that applies the principles of positive psychology (Abbas et al., 2022; Adams et al., 2020). Both servant leadership and positive leadership psychology adopt a people-centred leadership approach, prioritizing the needs and interests of individuals. They emphasize the importance of integrity, empathy, and compassion. The study results show that the perspective of positive leadership psychology on servant leadership provides an understanding that the servant leadership style is more effective for organizational sustainability. Understanding positive psychology reinforces that applying the principles of servant leadership in a more meaningful and authentic manner is effective from the subordinates' perspective. Positive leadership psychology can help leaders develop the skills and knowledge necessary to be effective leaders. A leadership approach based on positive psychology determines whether an

organization succeeds or fails by influencing its direction and performance across various critical dimensions (Abbas et al., 2022; Eksili, (2023).

Servant leadership has a strong philosophical foundation in service to others, where leaders prioritize the needs and interests of their followers and shift their focus from self-interest to concern for others within the organization and the broader community. Through the concept of service, servant leadership ensures organizational sustainability. This aligns with the study by Taylor & Pearse (2013), which demonstrates a positive relationship between the adoption of servant leadership and organizational governance at Hilton College, providing an understanding that this leadership philosophy can serve as a robust foundation for achieving sustainability goals. Similarly, research by Cop et al. (2020) showing the positive effect of leadership on team resilience underscores the relevance of servant leadership to the challenges faced in healthcare organizations like PORMIKI. Studies by Staufer & Maxwell (2020), Khan et al. (2021), and Iqbal et al. (2020) illustrate that servant leadership can bolster efforts to achieve organizational sustainability. The attitude of servant leadership, which encompasses ethics, morality, and support for strategies of change and individual growth, aligns with the needs of the organization. While servant leadership has a significant positive impact, there are critical considerations. The study by Alafeshat and Tanova (2019) indicates that while servant leadership can enhance organizational effectiveness and sustainability, it is essential to consider specific cultural and workplace contexts. Batool et al. (2023) highlight the positive impact of servant leadership on organizational sustainability; however, specific challenges in the context of healthcare organizations require a more focused and tailored approach.

The impact of servant leadership on innovation capabilities within the professional organization PORMIKI in Indonesia is significant. Servant leaders provide recognition and acknowledgment to members who innovate. This recognition enhances individual motivation and encourages other members to think creatively and seek new ways to solve problems. Leaders offer constructive feedback on members' ideas and initiatives, helping them to develop and refine their innovations continuously. Servant leaders at PORMIKI set an example by actively engaging in the innovation process and demonstrating a commitment to positive change. This inspires members to follow their lead and contribute to innovative efforts. The research findings align with Liu & Park (2022), who found that servant leadership positively influences employee creativity. Similarly, Zada et al. (2021) and Hou et al. (2023) support these findings. Servant leadership emphasizes empowering employees, which involves giving them the responsibility and trust to take the initiative in their work and become more creative (Yang et al., 2019; Gelaidan et al., 2022).

Innovation capabilities can make a positive contribution to the sustainability of PORMIKI. Innovation capabilities partially mediate the influence of servant leadership on organizational sustainability. One approach that can positively impact organizational sustainability is servant leadership, directly and through innovation capabilities. Through servant leadership, leaders directly influence organizational sustainability and mediate this influence by enhancing innovation capabilities. The innovations emerging from this type of leadership ensure that

PORMIKI remains adaptive, relevant, and sustainable amid changing challenges. This aligns with Le's (2020) and Zada et al. (2022) research, which indicates that servant leadership fosters employee innovation, ultimately supporting organizational sustainability. Servant leadership encourages employee creativity by creating an inclusive and supportive work environment. Leaders who embrace the philosophy of servant leadership tend to listen to and consider the views and ideas proposed by employees. This fosters a culture where employees feel valued, heard, and allowed to contribute creative ideas without fear of criticism or rejection.

Additionally, servant leadership encourages employees to develop self-confidence and take healthy risks in creating new solutions and innovating. By providing support, encouragement, and trust, servant leaders enable employees to push beyond limitations and face challenges with greater confidence. This empowers them to try new things, experiment with creative ideas, and develop innovative solutions to complex problems.

7. Conclusion

Servant leadership positively influences on the sustainability and innovation capabilities of PORMIKI. It enhances innovation capabilities, which in turn can increase organizational sustainability. Servant leadership creates an environment focused on service, individual growth, collaboration, ethical values, and the well-being of team members. It strengthens efforts to achieve organizational sustainability through ethics, morals, and support for change strategies and individual growth. Servant leadership is an effective strategy for achieving sustainability and innovation capabilities in the professional organization PORMIKI.

7.1 Theoretical Implications

The research findings reinforce the understanding that servant leadership positively impacts organizational sustainability. A leadership approach focused on service, individual growth, collaboration, and ethical values can strengthen sustainable organizational governance. Innovation capabilities have proven to be a crucial factor in maintaining organizational sustainability. An organization's ability to create innovative solutions and adapt to environmental changes heavily relies on the level of innovation its individuals possess. Innovation capabilities are not only a direct result of these factors but also serve as a channel through which the impact on organizational sustainability can be realized.

7.2 Managerial Implications

Leaders can develop more effective strategies and policies to enhance organizational sustainability by focusing on dimensions of servant leadership such as emotional healing, market culture within organizational culture variables, and the slow recovery dimension in psychological resilience, which were found to be lacking in the descriptive analysis. The goal is to encourage innovation, which ultimately increases sustainability. Leaders can expand and develop the servant leadership approach for leadership development at various levels by establishing regular meetings between leaders and subordinates to promote leadership learning among subordinates and by providing incentives and recognition to employees who can implement servant leadership within their teams and among colleagues. Further research recommendations: Future studies

could be conducted on different health-related professions to generalize the research findings and provide a more holistic understanding of the phenomenon being studied. A mixed-methods approach allows researchers to gain deeper insights into the contextual factors affecting organizational sustainability.

References

- Abbas, A., Saud, M., Suhariadi, F., Usman, I., & Ekowati, D. (2022). Positive leadership psychology: Authentic and servant leadership in higher education in Pakistan. *Current Psychology, 41*(9), 5859–5871. <https://doi.org/10.1007/s12144-020-01051-1>
- Aboramadan, M., Dahleez, K., & Hamad, M. (2020). Servant leadership and academics' engagement in higher education: mediation analysis. *Journal of Higher Education Policy and Management, 42*(6), 617–633. <https://doi.org/10.1080/1360080X.2020.1774036>
- Adams, B. G., Meyers, M. C., & Sekaja, L. (2020). Positive Leadership: Relationships with Employee Inclusion, Discrimination, and Well-Being. *Applied Psychology, 69*(4), 1145–1173. <https://doi.org/10.1111/apps.12230>
- Alafeshat, R., & Tanova, C. (2019). Servant leadership style and high-performance work system practices: Pathway to a sustainable jordanian airline industry. *Sustainability (Switzerland), 11*(22). <https://doi.org/10.3390/su11226191>
- AlQershi, N. A., Saufi, R. B. A., Muhammad, N. M. N., Bin Yusoff, M. N. H., & Thurasamy, R. (2023). Green creativity, TQM and business sustainability of large manufacturing firms in Malaysia. *TQM Journal, 35*(4), 924–945. <https://doi.org/10.1108/TQM-10-2021-0309>
- Alyahya, M., Aliedan, M., Agag, G., & Abdelmoety, Z. H. (2023). The Antecedents of Hotels' Green Creativity: The Role of Green HRM, Environmentally Specific Servant Leadership, and Psychological Green Climate. *Sustainability (Switzerland), 15*(3). <https://doi.org/10.3390/su15032629>
- Azeem, M., Ahmed, M., Haider, S., & Sajjad, M. (2021). Expanding competitive advantage through organizational culture, knowledge sharing and organizational innovation. *Technology in Society, 66*(June), 101635. <https://doi.org/10.1016/j.techsoc.2021.101635>
- Azila-Gbettor, E. M. (2023). Servant leadership and customer OCB: moderation effect of altruistic values amongst family hotels employees. *Journal of Family Business Management, 13*(2), 314–334. <https://doi.org/10.1108/JFBM-08-2021-0083>
- Batool, F., Mohammad, J., & Awang, S. R. (2022). The effect of servant leadership on organisational sustainability: the parallel mediation role of creativity and psychological resilience. *Leadership and Organization Development Journal, 43*(1), 71–95. <https://doi.org/10.1108/LODJ-06-2021-0264>
- Batool, F., Mohammad, J., Awang, S. R., & Ahmad, T. (2023). The effect of knowledge sharing and systems thinking on organizational sustainability: the mediating role of creativity. *Journal of Knowledge Management, 27*(5), 1251–1278. <https://doi.org/10.1108/JKM-10-2021-0785>
- Bougie, R., & Sekaran, U. (2019). Research methods for business: A skill building approach. John Wiley & Sons.
- Cai, Z., Mao, Y., Gong, T., Xin, Y., & Lou, J. (2023). The Effect of Servant Leadership on Work Resilience: Evidence from the Hospitality Industry during the COVID-19 Period.

- International Journal of Environmental Research and Public Health*, 20(2).
<https://doi.org/10.3390/ijerph20021322>
- Canavesi, A., & Minelli, E. (2022). Servant Leadership: a Systematic Literature Review and Network Analysis. *Employee Responsibilities and Rights Journal*, 34(3), 267–289.
<https://doi.org/10.1007/s10672-021-09381-3>
- Çop, S., Olorunsola, V. O., & Alola, U. V. (2020). Achieving environmental sustainability through green transformational leadership policy: Can green team resilience help? *Business Strategy and the Environment*, 30(1), 671–682. <https://doi.org/10.1002/bse.2646>
- De Silva, A. S., Uthumange, A., Peiris, I. K., & Ulluwishewa, R. (2023). Servant Leaders Towards Organizational Sustainability Through a Spiritual Driving Force. In G. E. Roberts (Ed.), *The Palgrave Handbook of Servant Leadership* (pp. 1415–1438). Springer International Publishing. https://doi.org/10.1007/978-3-031-01323-2_87
- EKŞİLİ, N. (2023). A Bibliometric Review of Positive Leadership Styles. *Journal of Tourism Intelligence and Smartness*, 6(2), 121–137.
<https://doi.org/http://doi.org/10.58636/jtis.1331719>
- Elidemir, S. N., Oztüren, A., & Bayighomog, S. W. (2020). Innovative behaviors, employee creativity, and sustainable competitive advantage: A moderated mediation. *Sustainability (Switzerland)*, 12(8). <https://doi.org/10.3390/SU12083295>
- Eva, N., Robin, M., Sendjaya, S., van Dierendonck, D., & Liden, R. C. (2019). Servant Leadership: A systematic review and call for future research. *Leadership Quarterly*, 30(1), 111–132. <https://doi.org/10.1016/j.leaqua.2018.07.004>
- Fetrati, M. A., Hansen, D., & Akhavan, P. (2022). How to manage creativity in organizations: Connecting the literature on organizational creativity through bibliometric research. *Technovation*, 115, 102473.
<https://doi.org/https://doi.org/10.1016/j.technovation.2022.102473>
- Freeman, G. T., & Fields, D. (2020). School leadership in an urban context: complicating notions of effective principal leadership, organizational setting, and teacher commitment to students. *International Journal of Leadership in Education*, 00(00), 1–21.
<https://doi.org/10.1080/13603124.2020.1818133>
- Gelaidan, H. M., Al-Swidi, A. K., & Al-Hakimi, M. A. (2023). Servant and authentic leadership as drivers of innovative work behaviour: the moderating role of creative self-efficacy. *European Journal of Innovation Management*.
- Greenleaf, R. K. (2002). Servant leadership: A journey into the nature of legitimate power and greatness. Paulist press.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2014). A Primer On Partial Least Squares Structural Equation Modeling (PLS-SEM). In *Practical Assessment, Research and Evaluation* (Vol. 21, Issue 1). <https://doi.org/10.1108/eb-10-2013-0128>
- Hou, H., Gai, R., & An, L. (2023). The impact of environmentally-specific servant leadership on organizational green performance: The mediating role of green creativity. *Frontiers in Psychology*, 13(January), 1–13. <https://doi.org/10.3389/fpsyg.2022.1091025>
- Huang, L., & Paterson, T. A. (2017). Group Ethical Voice: Influence of Ethical Leadership and Impact on Ethical Performance. *Journal of Management*, 43(4), 1157–1184.
<https://doi.org/10.1177/0149206314546195>

- Huikko-Tarvainen, S. (2022). Elements of perceived good physician leadership and their relation to leadership theory. *Leadership in Health Services*, 35(1), 14–29. <https://doi.org/10.1108/LHS-01-2021-0002>
- Iqbal, Q., Ahmad, N. H., & Halim, H. A. (2020). How Does Sustainable Leadership Influence Sustainable Performance? Empirical Evidence From Selected ASEAN Countries. *SAGE Open*, 10(4). <https://doi.org/10.1177/2158244020969394>
- Karatepe, O. M., Aboramadan, M., & Dahleez, K. A. (2020). Does climate for creativity mediate the impact of servant leadership on management innovation and innovative behavior in the hotel industry? *International Journal of Contemporary Hospitality Management*, 32(8), 2497–2517. <https://doi.org/10.1108/IJCHM-03-2020-0219>
- Khan, M. A., Ismail, F. B., Hussain, A., & Alghazali, B. (2020). The Interplay of Leadership Styles, Innovative Work Behavior, Organizational Culture, and Organizational Citizenship Behavior. *SAGE Open*, 10(1). <https://doi.org/10.1177/2158244019898264>
- Kiranantawat, B., & Ahmad, S. Z. (2022). Conceptualising the relationship between green dynamic capability and SME sustainability performance: the role of green innovation, organisational creativity and agility. *International Journal of Organizational Analysis*. <https://doi.org/10.1108/IJOA-04-2022-3246>
- Kumar, A. N., Acharya, S. K., Muralidharan, R., John, E. P., & Naganandini, S. (2023). Impact on HRM to Develop Relationship between Leadership Effectiveness and Organizational Performance. *Journal of Informatics Education and Research*, 3(2), 1630–1637. <https://doi.org/10.52783/jier.v3i2.289>
- Le, P. B. (2020). How transformational leadership facilitates radical and incremental innovation: the mediating role of individual psychological capital. *Asia-Pacific Journal of Business Administration*, 12(3–4), 205–222. <https://doi.org/10.1108/APJBA-04-2020-0129>
- Li, H., Sajjad, N., Wang, Q., Ali, A. M., Khaqan, Z., & Amina, S. (2019). Influence of transformational leadership on employees' innovative work behavior in sustainable organizations: Test of mediation and moderation processes. *Sustainability (Switzerland)*, 11(6), 1–21. <https://doi.org/10.3390/su11061594>
- Liden, R. C., Wayne, S. J., Meuser, J. D., Hu, J., Wu, J., & Liao, C. (2015). Servant leadership: Validation of a short form of the SL-28. *Leadership Quarterly*, 26(2), 254–269. <https://doi.org/10.1016/j.leaqua.2014.12.002>
- Liu, C., Mi, X., & Gao, Y. (2023). How Servant Leadership Influence Employee Service Quality of Fitness Centers During COVID-19: The Interacting Effects of Self-Efficacy. *Psychology Research and Behavior Management*, 16, 801–815. <https://doi.org/10.2147/PRBM.S395377>
- Liu, T., & Pak, J. (2022). Does paradoxical leadership better predict employee outcomes than servant leadership? The differential effects on subordinate creativity and psychological need satisfaction. *Current Psychology*, 0123456789. <https://doi.org/10.1007/s12144-022-03965-4>
- Lozano, R. (2014). Creativity and Organizational Learning as Means to Foster Sustainability. *Sustainable Development*, 22(3), 205–216. <https://doi.org/https://doi.org/10.1002/sd.540>
- Lyubych, Z., Turner, N., Hershcovis, M. S., & Deng, C. (2022). A Meta-Analysis of Leadership and Workplace Safety: Examining Relative Importance, Contextual Contingencies, and

- Methodological Moderators. In *Journal of Applied Psychology* (Vol. 107, Issue 12). <https://doi.org/10.1037/apl0000557>
- Madison, K., & Eva, N. (2019). Social Exchange or Social Learning: A Theoretical Fork in Road for Servant Leadership Researchers. In S. Sendjaya (Ed.), *Leading for High Performance in Asia* (pp. 133–158). Springer Singapore. https://doi.org/10.1007/978-981-13-6074-9_7
- Mishra, S. S., & Hassen, M. H. (2023). Servant leadership and employee's job performance: the role of public service motivation in Ethiopian public sector organizations. *International Journal of Public Leadership*, 19(1), 64–80. <https://doi.org/10.1108/IJPL-05-2022-0025>
- Monehin, D., & Diers-Lawson, A. (2022). Pragmatic optimism, crisis leadership, and contingency theory: A view from the C-suite. *Public Relations Review*, 48(4), 102224. <https://doi.org/10.1016/j.pubrev.2022.102224>
- Najam, U., & Mustamil, N. B. M. (2022). Does Proactive Personality Moderate the Relationship Between Servant Leadership and Psychological Ownership and Resilience? *SAGE Open*, 12(2). <https://doi.org/10.1177/21582440221087273>
- Neubaum, D. O., & Zahra, S. A. (2006). Institutional Ownership and Corporate Social Performance: The Moderating Effects of Investment Horizon, Activism, and Coordination. *Journal of Management*, 32(1), 108–131. <https://doi.org/10.1177/0149206305277797>
- Ngah, N. S., Abdullah, N. L., Mohd Suki, N., & Kasim, M. A. (2023). Does servant leadership affect organisational citizenship behaviour? Mediating role of affective commitment and moderating role of role identity of young volunteers in non-profit organisations. *Leadership and Organization Development Journal*, 44(6), 681–701. <https://doi.org/10.1108/LODJ-11-2022-0484>
- Ong, T. S., Soh, W. N., Teh, B. H., & Ng, S. H. (2015). Influence of environmental disclosures on the financial performance of public listed Malaysian manufacturing companies. *Asia-Pacific Management Accounting Journal*, 10(1), 107–140.
- Rahmanseresht, H., & Yavari, E. (2017). Relationship Life Cycle of Organizational and Leadership Styles (Case Study of Kermanshah City Administration, Government Agencies). In *International Review of Management and Marketing* (Vol. 7, Issue 3, pp. 288–298). İlhan ÖZTÜRK WT - DergiPark.
- Ruiz-Palomino, P., & Zoghbi-Manrique-de-Lara, P. (2020). How and when servant leaders fuel creativity: The role of servant attitude and intrinsic motivation. *International Journal of Hospitality Management*, 89(April), 102537. <https://doi.org/10.1016/j.ijhm.2020.102537>
- Sariol, A. M., & Abebe, M. A. (2017). The influence of CEO power on explorative and exploitative organizational innovation. *Journal of Business Research*, 73, 38–45. <https://doi.org/10.1016/j.jbusres.2016.11.016>
- Souto, J. E. (2022). Organizational creativity and sustainability-oriented innovation as drivers of sustainable development: overcoming firms' economic, environmental and social sustainability challenges. *Journal of Manufacturing Technology Management*, 33(4), 805–826. <https://doi.org/10.1108/JMTM-01-2021-0018>
- Sung, W., & Kim, C. (2021). A study on the effect of change management on organizational innovation: Focusing on the mediating effect of members' innovative behavior. *Sustainability (Switzerland)*, 13(4), 1–26. <https://doi.org/10.3390/su13042079>

- Stauffer, D. C., & Maxwell, D. L. (2020). Transforming Servant Leadership, Organizational Culture, Change, Sustainability, and Courageous Leadership. *Journal of Leadership, Accountability and Ethics*, 17(1), 105–116. <https://doi.org/10.33423/jlae.v17i1.2793>
- Székely, F., & Knirsch, M. (2005). Responsible Leadership and Corporate Social Responsibility: Metrics for Sustainable Performance. *European Management Journal*, 23(6), 628–647. <https://doi.org/https://doi.org/10.1016/j.emj.2005.10.009>
- Taylor, S., & Pearse, N. (2013). Creating sustainable organizations through servant leadership. *Leadership and Organizational Change*, 215.
- Wang, G., & Netemeyer, R. G. (2004). Salesperson creative performance: Conceptualization, measurement, and nomological validity. *Journal of Business Research*, 57(8), 805–812. [https://doi.org/10.1016/S0148-2963\(02\)00483-6](https://doi.org/10.1016/S0148-2963(02)00483-6)
- Watson, Y. (2019). *Employee Perceptions of Servant Leadership: Comparisons by Level and with Job Satisfaction in Two Maryland Community Colleges*. Morgan State University.
- Whelan, T., & Fink, C. (2016). The comprehensive business case for sustainability. *Harvard Business Review*, 21.
- Yang, Y., Lee, P. K. C., & Cheng, T. C. E. (2016). Continuous improvement competence, employee creativity, and new service development performance: A frontline employee perspective. *International Journal of Production Economics*, 171, 275–288. <https://doi.org/10.1016/j.ijpe.2015.08.006>
- Zada, S., Khan, J., Saeed, I., Jun, Z. Y., Vega-Muñoz, A., & Contreras-Barraza, N. (2022). Servant Leadership Behavior at Workplace and Knowledge Hoarding: A Moderation Mediation Examination. *Frontiers in Psychology*, 13(May), 1–12. <https://doi.org/10.3389/fpsyg.2022.888761>
- Zada, S., Khan, J., Zada, M., Saeed, I., & Jun, Z. Y. (2023). Does Servant Leadership Enhance Employee Creativity and Performance? Mediating Role of Knowledge Sharing and Moderating the Role of Self-Efficacy. *Journal of Organizational and End User Computing*, 35(1), 1–24. <https://doi.org/10.4018/JOEUC.321656>