

The Effect of Strategic Leadership on Sustainable Competitive Advantage

Levina Kartika

Department of Management Study, Widya Mandala Catholic University,
 Jl. Dinoyo 42-44 Surabaya – 60265, Indonesia

ARTICLE INFO	ABSTRACT
<p>Keywords: Sustainable competitive advantage, Strategic leadership, Respondent, Variable</p> <p>Kata Kunci: Keunggulan bersaing berkelanjutan, Kepemimpinan strategik, Responden, Variabel</p>	<p>This research aims to analyze and identify the effect of strategic leadership on sustainable competitive advantage. This study uses quantitative method with descriptive and associative research. The population includes employees of PT X (heavy equipment trading company), with a sample of 30-500 respondents. The results show that strategic leadership has a positive effect on sustainable competitive advantage applied by respondent. Testing the strategic leadership effect on sustainable competitive advantage produced a significance value of $0.000 < 0.05$, with a correlation coefficient value of 0.927. It can be concluded that strategic leadership has a strong influence on sustainable competitive advantage, with a correlation coefficient value of 0.927. Within this study, the majority of respondents expressed agreement with the questionnaire statement in this research regarding the strategic leadership variable, with 16 statement indicators submitted by the researcher and the sustainable competitive advantage (Y) variables, with 14 statement indicators submitted by the researcher.</p>
<p>Corresponding author: Levina Kartika levinakartika@hotmail.com</p>	<p style="text-align: center;">SARI PATI</p>
<p>Copyright © 2024 by Authors, Published by IRJBS. This is an open access article under the CC BY-SA License</p> 	<p><i>Penelitian ini bertujuan untuk menganalisis dan mengidentifikasi pengaruh kepemimpinan strategis terhadap keunggulan bersaing berkelanjutan. Penelitian ini menggunakan metode kuantitatif dengan jenis penelitian deskriptif dan asosiatif. Populasinya adalah karyawan PT. X (Perusahaan perdagangan alat berat), dengan sampel sebanyak 30-500 responden. Hasil penelitian menunjukkan bahwa kepemimpinan strategik berpengaruh positif terhadap keunggulan bersaing berkelanjutan. Pengujian pengaruh kepemimpinan strategik terhadap keunggulan bersaing berkelanjutan diperoleh nilai signifikansi $0,000 < 0,05$ dengan nilai koefisien korelasi sebesar 0,927. Dapat disimpulkan bahwa kepemimpinan strategik memiliki pengaruh yang kuat terhadap keunggulan bersaing berkelanjutan dengan nilai koefisien korelasi sebesar 0,927. Mayoritas responden memiliki pendapat yang sama, dimana mereka setuju dengan pernyataan kuesioner dalam penelitian ini mengenai variabel kepemimpinan strategik dengan 16 indikator pernyataan yang diajukan oleh peneliti dan variabel keunggulan bersaing berkelanjutan (Y) dengan 14 indikator pernyataan yang diajukan oleh peneliti.</i></p>

INTRODUCTION

According to Grant Thornton International's International Business Report (IBR) study, 6 out of 10 middle-scale enterprises in Indonesia think sustainability is more necessary than financial success. According to the poll, 68% of Indonesian enterprises, representing the highest proportion in the world, have incorporated a sustainability plan into their operations. Some middle-sized businesses view environmental, social, and government duties as competitive benefits. Around 42% of company employees value sustainability since it boosts productivity and saves costs (Fajrian, 2021).

According to the extant literature, 79% of Indonesian middle-scale enterprises feel that sustainability is more important than financial success. Since the COVID-19 pandemic, 63% of corporate leaders have claimed that sustainability has become essential. More than half (51%) of Indonesian middle-scale enterprises feel that incorporating sustainability into corporate activities increases operational efficiency and lowers expenses. Meanwhile, 47% of these businesspeople stated that gaining a lasting competitive edge can improve their access to financing and company investment (Fajrian, 2021).

Although business people have implemented sustainability in their operations, the fundamental problem is determining what should be emphasized to get the best outcomes in transitioning to more sustainable business practices (Fajrian, 2021). The greatest obstacles Indonesia faces in adopting the current IBR data sustainability standards are the need for more clarity surrounding new policies/regulations (46%), firms being preoccupied with pandemic-related issues (40%), and company executives needing to be more judicious in implementing sustainability (34%).

A comprehensive and long-term environmental study is the key to building a sustainable competitive advantage and understanding and overcoming system barriers that impede organizational goal attainment (Oracha et al., 2021). According to Rita

(2019), in today's highly competitive world, each organization aims to surpass its competitors and gain new customers. Meanwhile, individuals who function as knowledge holders in this situation develop innovation for the firm. They produce fresh, unique ideas that bring firms a competitive advantage using their creativity, knowledge, skills, and talents.

Motivation, finances, and corporate leadership support can boost an organization's internal competitiveness (Rita, 2019). This indicates that the company's competitiveness stems from company skill, which is constantly being developed by internal resources. These resources include company leadership support, financial power, an internal motivation to develop power, and innovation that is constantly being created and has market competitiveness (Rita, 2019).

Today, a firm founded on sustainable principles must have a vision, purpose, and long-term strategy. The desire of businesspeople to face long-term and short-term challenges is the fundamental pillar of sustainability, according to Fajrian (2021). A critical function of strategic leadership is the creation of goals, beliefs, and procedures that guide continual performance improvement.

Strategic leadership can boost management's efficacy in leading and improving an agency and developing current potential. Leadership is associated with balancing competing pressures to provide higher value to consumers while rewarding organizational personnel (Oracha et al., 2021).

Sibghatullah and Raza (2020) revealed a strong association between strategic leadership and competitive advantage. According to Oracha et al. (2021), competitive advantage substantially influences strategic leadership and the success of international non-governmental organizations in Kenya. Meanwhile, Mahdi and Nassar (2021) discovered that strategic leadership impacts a firm's long-term competitive advantage. The researchers

are interested in assessing and determining the impact of strategic leadership on long-term competitive advantage based on the phenomena, data, and prior studies mentioned earlier.

According to Rowe (2001), strategic leadership refers to the ability to motivate others to make voluntary day-to-day decisions that enhance the long-term viability of the organization while maintaining short-term financial stability. According to Hitt et al. (2013), strategic leadership is the leader’s ability to predict market changes, maintain flexibility, and empower organizational members to create a strategic change.

Strategic leadership establishes steps to structure the organization to seize strategic opportunities more efficiently in the external environment. Therefore, organizational performance depends on the interaction relationship managed by strategic leadership. Furthermore, Eselon’s theory states that managers’ characteristics can affect the types of decisions made, the method used to make the decision, and the consequence of the organization’s decision (Oracha et al., 2021).

Sustainable competitive advantage is a condition that positions the company in a profitable or superior level of business for several years. A company is declared to have a competitive advantage over its competitors if the profitability is greater than the average profitability and has a higher profit growth than the industry average (Nasrudin, 2023).

Wang (2014) observed that competitive advantage is developed when the organization acquires superior traits that allow it to perform better than its competitors. This observation supports

the definition given by Amit and Schoemaker (1993), which revealed that resources could be a competitive advantage source as long as they are scarce, appropriate, and specialized. Competitive advantage arises when a particular strategy is chosen by an organization.

METHODS

This study employs a quantitative approach with descriptive and associative research. The demographic consists of 30-500 individuals who work for PT X (a heavy equipment trading firm). The analytical approach comprises descriptive analysis utilizing a Likert measuring scale to describe the variable of strategic leadership and sustained competitive advantage. Furthermore, the researcher analyzes the questionnaire data using a classical assumption test and linear regression analysis to evaluate the relationship between the variables analyzed. The questionnaire method is distributed in the form of a checklist, which contains a closed list of entries so that respondents can input a checkmark in the available questionnaire answer column, the observation method uses an observation guide, and the documentation method employs a list of documents.

RESULTS AND DISCUSSION

Data collection with this questionnaire method was distributed to 100 respondents who were selected randomly or by simple random sampling. Meanwhile, the data collection period through the questionnaire method spanned from June 1, 2022, to July 1, 2022. The following demographics of respondents describe the characteristics of respondents consisting of gender, age, highest education, occupation, and length of work.

Table 1. Respondent Profile Based on The Gender

		Gender			
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Male	46	46.0	46.0	46.0
	Female	54	54.0	54.0	100.0
	Total	100	100.0	100.0	

Table 2. Respondent Profile Based on The Age

		Age			
		Frequency	Percent	Valid percent	Cumulative percent
Valid	18-21	26	26.0	26.0	26.0
	22-30	70	70.0	70.0	96.0
	31-40	4	4.0	4.0	100.0
	Total	100	100.0	100.0	

Table 2. Respondent Profile Based on The Age

		Age			
		Frequency	Percent	Valid percent	Cumulative percent
Valid	18-21	26	26.0	26.0	26.0
	22-30	70	70.0	70.0	96.0
	31-40	4	4.0	4.0	100.0
	Total	100	100.0	100.0	

In line with Table 1, the profile of respondents was based on gender; the majority were female, with a percentage of 54% or 54 respondents. Meanwhile, the respondents are male, which is 46% or 46 respondents.

Table 2 above indicates that respondents dominantly are aged 22-30 years, with a total of 70 respondents (70%). Meanwhile, the respondents aged 18-21 years are 26 respondents (26%). The age group with the least respondents is ages 31-40, with four respondents (4%).

Based on Table 3 above, respondents who dominantly graduated from senior high school numbered 77 (77%). Meanwhile, the respondents with bachelor's degrees are 18 respondents (18%). The lowest number of respondents at the graduate level is those with Diploma 3 (D3), with five respondents (5%).

Table 4 above indicates that respondents are dominantly private sector employees, with 60

respondents (60%). Meanwhile, those who are government employees represent 23 respondents (23%). The least respondents of occupation are entrepreneurs, with 17 respondents (17%).

Table 5 above shows that the dominant group of respondents in this study has work experience (long working) for 1-3 years, with a total of 77 respondents (77%). Meanwhile, 19 respondents have work experience of 4-7 years (19%). Meanwhile, the smallest groups have work experience of more than 10 years, with 3 respondents (3%), and 8-11 years, with one respondent (1%).

Distribution of respondent response

The distribution of responses in this research states the response of respondents based on the questionnaire that has been distributed. Descriptive analysis of the distribution of respondents' responses to this research will be processed into tabular form based on min, max, sum, mean, and std. deviation data. The respondents' responses to each questionnaire statement were processed as data to

Table 3. Respondent Profile Based on The Education

		Education			
		Frequency	Percent	Valid percent	Cumulative percent
Valid	D3	5	5.0	5.0	5.0
	S1	18	18.0	18.0	23.0
	SMA/SMK	77	77.0	77.0	100.0
	Total	100	100.0	100.0	

Table 4. Respondent Profile Based on The Occupation

		Occupation			
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Private sector employee	60	60.0	60.0	60.0
	Government employees	23	23.0	23.0	83.0
	Entrepreneur	17	17.0	17.0	100.0
	Total	100	100.0	100.0	

Table 5. Respondent Profile Based on The Length of Work

		Length of work			
		Frequency	Percent	Valid percent	Cumulative percent
Valid	> 10 years	3	3.0	3.0	3.0
	1-3 years	77	77.0	77.0	80.0
	4-7 years	19	19.0	19.0	99.0
	8-11 years	1	1.0	1.0	100.0
	Total	100	100.0	100.0	

measure the frequency distribution of the scores and the average value of the strategic leadership (X) and sustainable competitive advantage (Y) are shown in Table 6.

Based on Table 6, the statement “The superiors convey expectations (regarding expected actions and behaviors) clearly to their employees” obtained a higher agreement with an average value of 4.4

out of 5 (Likert scale). Meanwhile, the frequency distribution of the scores formed is 440. Based on this value, it can be concluded that most of the respondents agree with the ethical practices carried out by their superiors.

Meanwhile, the statement, “The employees get feedback on their work done,” obtained the lowest agreement, with an average value of 3.84

Table 6. Distribution of respondents’ responses in strategic leadership variable (Y)

Descriptive Statistics						
No.	Statement	Min	Max	Sum	Mean	Std. Deviation
1	My leader has a clear understanding about the company’s mission and vision.	3.0	5.0	410.0	4.10	.73168
2	All of the company’s operational activities are based on the long-term vision and mission that have been previously set	3.0	5.0	434.0	4.34	.68490
3	The decision that has been set by leader can support the achievement of company’s mission and vision	3.0	5.0	393.0	3.93	.81965
4	The leader ensures management of work training and education for employees	2.0	5.0	418.0	4.18	.92529
5	The leader always changes the work procedure to improve a company’s performance	2.0	5.0	422.0	4.22	.67540
6	The leader ensures that each resource (machines, materials, human resources, methods, information) is well managed	3.0	5.0	384.0	3.84	.78779
7	Superiors are able to utilize the potential of existing resources (machines, materials, human resources, methods, information) optimally	3.0	5.0	434.0	4.34	.58981

No.	Statement	Min	Max	Sum	Mean	Std. Deviation
8	The leader understands and practices the organizational culture well	3.0	5.0	410.0	4.10	.73168
9	Superiors behave and act suitable with the company culture	3.0	5.0	434.0	4.34	.68490
10	I am driven to accept and practice the company culture because of the influence of my superiors	3.0	5.0	393.0	3.93	.81965
11	In this company, the employee provided work standard in doing their job	2.0	5.0	418.0	4.18	.92529
12	The superiors always monitor the actions and behavior of employees.	2.0	5.0	417.0	4.17	.81718
13	The superiors convey expectations (regarding expected actions and behaviors) clearly to their employees	3.0	5.0	440.0	4.40	.66667
14	The superiors always supervise the work program that is being implemented	2.0	5.0	410.0	4.10	.82266
15	The superior evaluates the employee performance based on the performance benchmarks that have been set by the company	3.0	5.0	422.0	4.220	.61266
16	The employees get feedback on their work done	3.0	5.0	384.0	3.840	.78779
Average				413.94	4.14	0.76

out of 5 (Likert scale). Meanwhile, the frequency distribution of the scores formed is 384. Based on this value, it can be concluded that most of the respondents agree with the organizational control by their superiors.

In line with the table above, it can be concluded that the frequency distribution of the respondent response regarding the strategic leadership variable (X) obtained a sum of 413.94 and a scoring average of 4.14 (agree). This result means that the respondent has a similar opinion, in which they agree with the questionnaire statement regarding the strategic leadership variable, with 16 statement indicators submitted by the researcher.

Based on the Table 7, the statement “The resources used in the production process is difficult to duplicate by competitors” obtained a higher agreement in the average value of 4.4 out of 5 (Likert scale). Meanwhile, the frequency distribution of the scores formed is 440. Based on this value, it can be concluded that most of the respondents agree with the resources statement owned by the company.

Meanwhile, the statement “The company engages in production activity with a scale above the average production capability of competitors” obtained the lowest agreement with an average value of 3.84 out of 5 (Likert scale). Meanwhile, the frequency distribution of the scores formed is 384. Based on this value, it can be concluded that most of the respondents agree with the statement regarding the capability owned by the company.

The table supports the conclusion that the frequency distribution of the respondents’ responses regarding strategic leadership variable (X) obtains a sum of 422.14 and a score average of 4.22 (agree). This means that the respondent has a similar opinion, in which they agree with the questionnaire statement regarding the strategic leadership variable (Y) with the 14 statement indicators submitted by the researcher.

Instrument test

Validity test

The validity test is defined as a test conducted to determine the validity/accuracy/accuracy of a

Table 7. Distribution of respondent response of Sustainable competitive advantage variable (Y)

Descriptive Statistics						
No.	Statement	Min	Max	Sum	Mean	Std. Deviation
17	Materials/resources used have a high quality and advantage value	2.0	5.0	438.0	4.38	.77564
18	Product that offered is unique	2.0	5.0	434.0	4.34	.84351
19	The resources used in the production process is difficult to duplicate by competitors	3.0	5.0	440.0	4.40	.66667
20	Procurement of resources/materials has been well managed	3.0	5.0	393.0	3.93	.81965
21	This company's employees are someone who is an expert in their field	2.0	5.0	418.0	4.18	.92529
22	The process of resource management has been carried out effectively and efficiently	2.0	5.0	422.0	4.22	.67540
23	The company doing production activity with a scale above the average production capability of competitors.	3.0	5.0	384.0	3.84	.78779
24	The company uses production techniques that are not easy and difficult to imitate perfectly	2.0	5.0	438.0	4.38	.77564
25	The company can use different strategy so the product offered is suitable with the market segment.	2.0	5.0	434.0	4.34	.84351
26	The company has adequate technology. thereby increasing employee productivity and managing existing resources.	3.0	5.0	410.0	4.10	.73168
27	The company always innovates along with the era and changes in customer needs and desires.	3.0	5.0	434.0	4.34	.68490
28	The company cannot follow the market movement	3.0	5.0	393.0	3.93	.81965
29	The company can track a change in customer needs and desires well.	2.0	5.0	438.0	4.38	.77564
30	Information regarding customers and competitors is collected through a series of strategically structured plans.	2.0	5.0	434.0	4.34	.84351
Average				422.14	4.22	0.78

question item in measuring the variables studied. The validity test uses product-moment correlation so the decision of whether a variable is valid can be seen from the significance value in the SPSS output. If the significance value is < 0.05 , the item is valid, but if the significance value is > 0.05 , then the item is invalid. The results of the validity test in this study are shown in Table 8.

Reliability test

The reliability test is defined as a test conducted to

determine the reliability (level of confidence) of a question item in measuring the variables studied. In this research, the reliability test used is the Cronbach's Alpha approach, so an item is reliable when the Cronbach's Alpha coefficient (α) > 0.6 . The results of reliability testing are shown in Table 9.

Classical assumption test

The method used in this research is multiple regression analysis, so specific tests are needed to fulfill classical assumptions. The classical

Table 8. Validity test

Variable	Indicator	Significance value	Significance level	Description
Strategic Leadership	X.1.1	0.0	0.50	Valid
	X.1.2	0.0	0.50	Valid
	X.1.3	0.0	0.50	Valid
	X.2.1	0.0	0.50	Valid
	X.2.2	0.0	0.50	Valid
	X.2.3	0.0	0.50	Valid
	X.2.4	0.0	0.50	Valid
	X.3.1	0.0	0.50	Valid
	X.3.2	0.0	0.50	Valid
	X.3.3	0.0	0.50	Valid
	X.4.1	0.0	0.50	Valid
	X.4.2	0.0	0.50	Valid
	X.4.3	0.0	0.50	Valid
	X.5.1	0.0	0.50	Valid
	X.5.2	0.0	0.50	Valid
X.5.3	0.0	0.50	Valid	
Sustainable Competitive Advantage	Y.1.1	0.0	0.50	Valid
	Y.1.2	0.0	0.50	Valid
	Y.1.3	0.0	0.50	Valid
	Y.1.4	0.0	0.50	Valid
	Y.2.1	0.0	0.50	Valid
	Y.2.2	0.0	0.50	Valid
	Y.2.3	0.0	0.50	Valid
	Y.3.1	0.0	0.50	Valid
	Y.3.2	0.0	0.50	Valid
	Y.3.3	0.0	0.50	Valid
	Y.4.1	0.0	0.50	Valid
	Y.4.2	0.0	0.50	Valid
	Y.4.3	0.0	0.50	Valid
	Y.4.4	0.0	0.50	Valid

Table 9. The result of reliability test

Variable	Reliability value	Cut of Value	Description
Strategic Leadership	0.905	> 0,60	Reliable
Sustainable Competitive Advantage	0.928	> 0,60	Reliable

assumption test used in this study is divided into normality test, heteroscedasticity test, and linearity test.

Normality test

The normality test compares the data, which are normally distributed to have the same mean and standard deviation. This test aims to determine

whether, in the regression model, the confounding or residual variables have a normal distribution. In this study, the normality test used was One Sample Kolmogorv Smirnov. The results of the normality test are shown in Table 10.

Heteroscedasticity test

In this research, the heteroscedasticity test is

Table 10. Normality test

One-Sample Kolmogorov-Smirnov Test		
		Understandardized Residual
N		100
Normal Parameters ^{a,b}	Mean	0E-7
	Std. Deviation	2.96558051
Most Extreme Differences	Absolute	.111
	Positive	.101
	Negative	-.111
Kolmogorov-Smirnov Z		1.115
Asymp.Sig. (2-tailed)		.166

- a. Test distribution is Normal
- b. Calculated from data.

The study determines whether the data is normally distributed or not so it can be seen based on the significance value > 0.05 . The data is normally distributed. Meanwhile, if the significance value < 0.05 , the data is not normally distributed. Based on the table above, Asymp.Sig. $0.166 > 0.05$, so it can be concluded that there is no significant difference between the tested data and standard normal data. This means that the test data is normally distributed.

conducted to test whether in the regression model, there is an inequality of variance from the residuals from one observation to another. If the regression model is found to have inequality of variance, it is known as heteroscedasticity. The result of heteroscedasticity testing are shown in Figure 1.

To find out the heteroscedasticity in the regression model, it can be seen if there is no pattern and if the existing set of points spreads above and below zero (0) on the Y wick. If there is a pattern (wave-shaped & wide-narrow), then this condition indicates the existence of heteroscedasticity, and the data

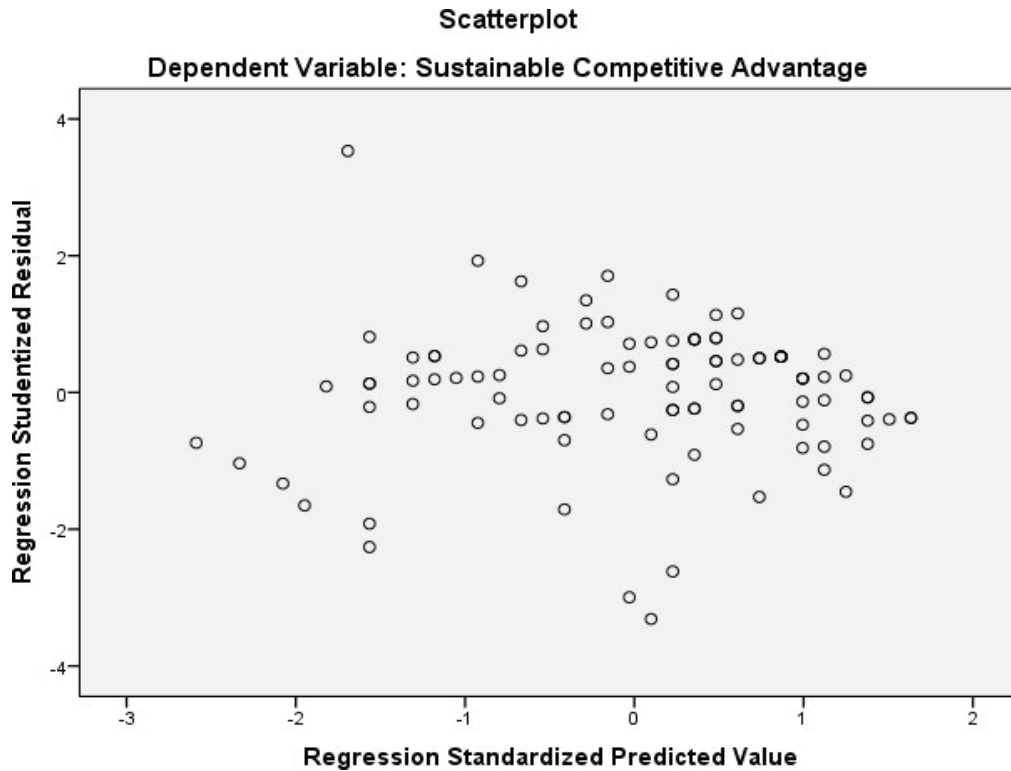


Figure 1. Heteroscedasticity test result

obtained is heterogeneous. In line with the test results, the figure above found no certain pattern, and the existing set of points spread both above and below zero (0) on the Y wick. This condition indicates that there is no heteroscedasticity and the data obtained is homogeneous.

Linearity test

The linearity tests whether there is a relationship or effect between two variables with linearity. Furthermore, linearity testing is used to identify the predictors of independent variable data that are linearly related or not to the dependent variable.

The linearity test in this study was carried out using an analysis of variance against the regression line, which would then be obtained by the calculated F value. When the calculated F value < F-table

at a significant level of 5%, then the influence between variables is said to be linear. On the other hand, if F-count > F-table, then the effect of the independent variable on the dependent variable is not linear. Based on the table above, it can be seen that the F-count value is $1.678 < F\text{-table } 1.6318$, so there is a linear influence between the variables studied.

Correlation analysis

Correlation analysis is used to determine the closeness of the influence between two or more variables regardless of whether or not there is a causal relationship between these variables. The type of correlation used in this study is the Pearson Product Moment correlation. The results of the correlation analysis on the variables studied in this study are shown in Table 12.

Table 11. Linearity test result

ANOVA Table			Sum of Squares	df	Mean Square	F	Sig.
Sustainable Competitive Advantage* Strategic Leadership	Between groups	(Combined)	5690.467	30	189.682	25.636	.000
		Linearity	5330.328	1	5330.328	720.409	.000
		Deviation from Linearity	360.139	29	12.419	1.678	.041
	Within groups		510.533	69	7.399		
Total			6201.000	99			

Table 12. Correlation analysis result

Correlation		Strategic Leadership	Sustainable Competitive Advantage
Strategic Leadership	Pearson Correlation	1	.927
	Sig. (2-tailed)		.000
	N	100	100
Sustainable Competitive Advantage	Pearson Correlation	.927	1
	Sig. (2-tailed)	.000	
	N	100	100

To determine the closeness of the relationship between variables, it can be seen based on the magnitude of the correlation coefficient when the coefficient value is close to 1 or -1, meaning there is a strong relationship. Meanwhile, there is a weak relationship when the coefficient is close to 0. Based on the output results above, it can be seen that the correlation coefficient value is 0.927, which is close to 1 (one), so the relationship between the number of Strategic Leadership and Sustainable Competitive Advantage can be stated as strong.

Linear regression analysis

In this research, the linear regression analysis aims to examine the effect of the independent variable, namely Strategic Leadership (X), on the dependent variable, namely Sustainable Competitive Advantage (Y).

Dependent Variable: Sustainable Competitive Advantage

Based on the table above, the form of the multiple linear regression equation is obtained as follows:

$$Y = -3.078 + 0.939 X$$

or

$$\text{Sustainable Competitive Advantage} = -3.078 + 0.939 (\text{Strategic Leadership})$$

Where:

The constant value (α) is the value for the dependent variable (Y), so the Sustainable Competitive Advantage (Y) has a constant value of -3.078. Therefore, if the value of the independent variable, namely Strategic Leadership (X), is assumed to be constant, then the value of Sustainable Competitive Advantage (Y) is -3.078.

The regression coefficient (β) for the Strategic Leadership (X) variable produces a value of 0.939, so it can be seen that the Strategic Leadership (X) variable has a positive effect on the Sustainable Competitive Advantage (Y). Thus, if the Strategic Leadership (X) variable increases by one unit, the Sustainable Competitive Advantage (Y) will increase by 0.939.

Hypothesis testing is a procedure carried out in research to decide whether to accept or reject the proposed hypothesis. The partial test aims to determine the magnitude of the influence of one independent variable (X) in explaining the variable (Y) with a significance level of 5% used. The results of hypothesis testing in this study are shown in Table 14.

Dependent Variable: Sustainable Competitive Advantage

Table 13. Linear regression analysis result

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-3.078	2.556		-1.204	.231
Strategic Leadership	.939	.038	.927	24.494	.000

Table 14. Hypothesis test result

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-3.078	2.556		-1.204	.231
Strategic Leadership	.939	.038	.927	24.494	.000

To determine the influence of the independent variable on the dependent, it can be seen based on the significance value < 0.05 . Otherwise, if the significance value > 0.05 shows that the X variable does not affect Y. Based on the table above, it is found that the significance value is $0.000 < 0.05$, so it can be concluded that the X variable affects the Y variable.

The effect of strategic leadership on sustainable competitive advantage

There is a significant positive effect of Strategic Leadership on Sustainable Competitive Advantage is accepted. Testing the effect of Strategic Leadership on Sustainable Competitive Advantage obtained a significance value of $0.000 < 0.05$ with a correlation coefficient value of 0.927 (strong relationship), so it can be concluded that Strategic Leadership has a significant positive effect on Sustainable Competitiveness.

The results of this study are in line with the findings, American chief executive officer (CEO) Mahdi & Nassar (2021) recognizes the need to integrate the main components of the strategic leadership model into the company. While Hitt and Ireland in Mahdi & Nassar (2021) investigate the relevance of both types of human and social capital for leaders and how the process is managed, thereby creating value for units and companies. In theoretical studies, the two aspects studied are important factors in gaining a competitive advantage.

Another study conducted by Sibghatullah & Raza (2020), revealed a positive relationship between strategic leadership and competitive advantage. In the research of Oracha et al. (2021), it was found that there is a significant influence of competitive advantage as a mediation of strategic leadership and the performance of international non-governmental organizations in Kenya. Meanwhile, the findings of Mahdi & Nassar (2021), show that strategic leadership ability influences sustainable competitive advantage. Based on some of these findings, the researchers found a relationship between strategic

leadership and sustainable competitive advantage. As for this study, it was found that the implementation and optimization of sustainable competitive advantage by business actors can be done by paying attention to and implementing strategic leadership. Demison et al. (1995) in Oracha et al. (2021) stated that leadership is related to balancing competitive forces to create superior customers value and rewards for organizational members. The strategic leadership aspect in this study consists of several indicators, namely vision and mission, corporate resources, organizational culture, ethical practices, and organizational control. By using strategic leadership based on the seven indicators that have been mentioned, it can have an impact on competitive strength to create superior value for customers and reward members of the organization. This further supports the development of a sustainable competitive advantage based on a comprehensive and sustainable environmental analysis

MANAGERIAL IMPLICATIONS

The result of this study could be used to increase superior value for customers and reward members of the organization by applying strategic leadership. Applying this strategy in managerial level could develop sustainable competitive advantage according to the comprehensive and sustainable environmental analysis.

CONCLUSION

This study was conducted to analyze and identify the influence of Strategic Leadership on Sustainable Competitive Advantage. Based on the analysis and discussion described above, the Strategic Leadership has a significant positive effect on Sustainable Competitive Advantage. Strategic Leadership carried out or implemented by respondents obtained a total of 413.94 and an average score of 4.14 (agree). It means that most respondents have the same opinion because they agree with the questionnaire statement in this study regarding the Strategic Leadership variable with 16 statement indicators proposed by the researcher.

Sustainable Competitive Advantage carried out or applied by respondents obtained a total of 422.14 and an average score of 4.22 (agree). It means that the majority of respondents have the same opinion, where they agree with the questionnaire statement in this study regarding the variables of Sustainable

Competitive Advantage (Y) with 14 statement indicators proposed by the researcher. Strategic Leadership has a strong influence on Sustainable Competitive Advantage with a correlation coefficient value of 0.927. ■

Acknowledgement

I would like to appreciate the assistance provided by our colleagues from Widya Mandala University. I also want to thank our instructors for sharing their wisdom during this research. I also like to say thank you to the journal's reviewers and editing staff. Finally, thank everyone who reads and uses this information in their studies

REFERENCES

- Amit, R., & Schoemaker, P. J. H. (1993). Strategic assets and organizational rent. *Strategic Management Journal*. <https://doi.org/https://doi.org/10.1002/smj.4250140105>
- Fajrian, H. (2021). *Survei: Perusahaan RI Tertinggi di Dunia dalam Strategi Sustainability*. Katadata.Co.Id. <https://katadata.co.id/happyfajrian/ekonomi-hijau/6179f2ea47bd0/survei-perusahaan-ri-tertinggi-di-dunia-dalam-strategi-sustainability>
- Hitt, M. A., Ireland, R. D., & Hoskisson, R. E. (2013). *Strategic Management: Competitiveness and Globalization* (10th ed.). Cengage Southwestern Publishing Co.
- Mahdi, O. R., & Nassar, I. A. (2021). The Business Model of Sustainable Competitive Advantage through Strategic Leadership Capabilities and Knowledge Management Processes to Overcome COVID-19 Pandemic. *Sustainability*, 13(17). <https://doi.org/https://doi.org/10.3390/su13179891>
- Nasrudin, A. (2023). *Keunggulan Kompetitif: Definisi, Pentingnya, Cara Mengukur*. Cerdasco. <https://cerdasco.com/keunggulan-kompetitif/>
- Oracha, J. A., Ogutu, M., K'Obonyo, P., & Twalib, M. (2021). Effect of Competitive Advantage on the Relationship between Strategic Leadership and Performance of International Non-Governmental Organizations in Kenya. *Journal of Human Resource & Leadership*, 5(3), 74–85. <https://doi.org/10.53819/81018102t2015>
- Rita. (2019). *Competitive Advantage*. GLOBAL BUSINESS MARKETING. website: <https://bbs.binus.ac.id/gbm/2019/02/26/competitive-advantage/>
- Rowe, W. G. (2001). Creating wealth in organizations: The role of strategic leadership. *Academy of Management Perspectives*, 15(1). <https://doi.org/DOI:10.5465/AME.2001.4251395>
- Sibghatullah, A., & Raza, M. (2020). The Impact of Strategic Leadership on Competitive Advantage: The Mediating Role of Ambidexterity and Information System: Evidence from Islamic Banks in Jordan. *IJIS: International Journal of Informatics and Information Systems*, 3(2), 67–80. <https://doi.org/10.47738/ijis.v3i2.67>
- Wang, H. (2014). Theories for competitive advantage. In *Being Practical with Theory: A Window into Business Research* (H. Hasan (, pp. 33–43). THEORI.