

SYNERGY OF DYNAMIC CAPABILITY AND INNOVATION: A NEW MODEL FOR STRENGTHENING CLINIC PERFORMANCE THROUGH ENTREPRENEURIAL LEADERSHIP

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ABSTRACT

This study aims to analyze the impact of entrepreneurial leadership on clinical performance, by highlighting the role of Dynamic Capability and innovation capability. In the face of increasingly competitive competition in the health sector, clinics are expected to be able to adapt to changes and create relevant innovations to maintain optimal performance. This study uses a quantitative approach with a survey of clinic owners or leaders in Indonesia. The population in this study is the owner or leader of the Clinic in Indonesia, the sample determination was carried out by purposive sampling technique so that as many as 385 respondents were obtained. Research data was collected directly through an online questionnaire. Further research data was analyzed statistically using the partial least square method. The results of the study show that (1) entrepreneurial leadership directly contributes significantly to improving clinical performance, (2) Dynamic Capability acts as a mediator in the relationship between entrepreneurial leadership and clinical performance, (3) Innovation capability also functions as an important mediator, entrepreneurial leadership encourages the creation of new ideas and the implementation of innovation, which in turn contributes to the achievement of performance better clinics, (4) The combination of Dynamic Capability and innovation shows a synergistic effect in strengthening the relationship between entrepreneurial leadership and clinical performance. These findings underscore the importance of entrepreneurial leadership in encouraging sustainable adaptability and innovation in the health sector. The originality of this research lies in the exploration of the relationship between entrepreneurial leadership, Dynamic Capability, innovation capability, and organizational performance in the clinical context, which is still rarely discussed in previous literature.

KEYWORDS Entrepreneurial Leadership, Dynamic Capability, Innovation capability, Clinical Performance.



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INTRODUCTION

In the era of globalization, the sector, including health clinics, faces great challenges to compete and develop. These challenges stem not only from competition in the market, but also from rapid regulatory and technological changes. One of the approaches that has proven to be effective in increasing competitiveness and performance is the application of Entrepreneurial Leadership. Leadership This focus on innovation, proactivity, and risk-taking allows clinics to be more flexible and quickly adapt to external changes. Research identifies (Ibrahim & Rashid, 2019) relationship directly between Entrepreneurial Leadership (EL) with organizational performance and business.

Research shows that Entrepreneurial Leadership has a direct relationship with organizational performance and business success. Recent studies, such as those by Nguyen, Han,

and Pham (2023), identify a positive relationship between EL and organizational innovation and agility. Additionally, current findings also highlight that this leadership style positively impacts organizational agility—the ability of organizations to adapt quickly to environmental changes (Nguyen et al., 2023; Zarkasi, Arifin, & Rahimah, 2023).

Brief Review of Previous Research,

The results of previous studies showed that there was a positive influence of style Leadership to organizational agility. (Hosseini, Zare, Nematollahi, & Avatefi, 2013; Karimi, Daraei, & Sepehr, 2016; Raeisi & Amirnejad, 2017; Veiseh, Shiri, & Eghbali, 2014). Entrepreneurial Leadership has been proven as a key factor in supporting organizational adaptability and innovation. Nguyen, Han, and Pham (2023) explain that through its dimensions, Entrepreneurial Leadership helps organizations identify opportunities and manage changes effectively. Other studies, such as those by Zarkasi, Arifin, and Rahimah (2023), also emphasize the importance of EL in innovation management to maintain organizational agility and adaptability. Moreover, Nguyen et al. (2023) underline that Entrepreneurial Leadership influences business performance through strategic resource management and orientation. Another study by Chammas and Hernandez (2022) found that the close relationship between leaders and employees fosters a leadership style that significantly impacts organizational performance and competitiveness. Furthermore, Dynamic Capability is also identified as a crucial component mediated by Entrepreneurial Leadership to enhance organizational performance. This capability allows companies to adapt quickly to changing market conditions, consumer trends, and technological developments (Nguyen et al., 2023). In this context, Innovation Capability is also recognized as an essential mediator in the relationship between EL, Dynamic Capability, and organizational performance (Zarkasi, Arifin, & Rahimah, 2023). However, there remains a research gap indicating that more evidence is needed to strengthen the linkage between Entrepreneurial Leadership, Dynamic Capability, and organizational performance through Innovation Capability mediation (Nguyen et al., 2023; Zarkasi et al., 2023).

Entrepreneurial Leadership be an essential factor when determining strategic agility at the level of organizational analysis and conceptualization of organizational capabilities including recognizing and responding to opportunities and changes. (Nguyen, Han, & Pham, 2024) Entrepreneurial Leadership Through its dimensions, it can make organizations work more effectively and innovatively in the collective process to Maintain organizational agility and adaptability through innovation management. (Fontana & Musa, 2017) Nguyen, Huynh, Lam, Le, & Nguyen (2021) also found that Entrepreneurial Leadership important in seeing opportunities entrepreneurial by influencing strategies in managing resources. Paudel (2019) states that the closed relationship between leaders and employees makes the leader's style and attitude significantly impact organizational performance business, which then has implications for competition. Entrepreneurial Leadership have a positive effect on the organization's agility strategy towards organizational performance which is good in competition in Indonesia. Behaviour (Migdadi, 2022) Leadership that positively influencing subordinates' perception of leader support, which in turn stimulates creativity, as a key factor in the innovation process.

Leader Entrepreneurial can be innovative (Ibrahim & Rashid, 2019) . Entrepreneurial Leadership is a style Leadership which is effective for building a team to achieve organizational innovation. There is a relationship between (Renko, El Tarabishy, Carsrud, & Brännback, 2015) Entrepreneurial Leadership, innovation capability and organizational performance at. So (Purwati, Budiyanto, Suhermin, & Hamzah, 2021) Entrepreneurial Leadership Through its dimensions, it can make organizations work more effectively and innovatively in the collective process to Maintain organizational agility and adaptability through innovation management. (Fontana & Musa, 2017) Entrepreneurial Leadership engage the organization and motivation of the operating system and the company's employees to achieve Core Value companies such as

taking risks, seeing opportunities, product innovation and Services, create a competitive advantage, and improve the dynamic competence of entrepreneurs (Gupta, MacMillan, & Surie, 2004).

Entrepreneurial Leadership encourage organizations to adopt processes that can enhance the innovation culture of the organization by identifying and capitalizing opportunities to improve organizational performance organization, problem solving use creative methods, effective and efficient utilization of organizational resources. Empirical studies clearly identify how (Raesi & Amirnejad, 2017) Entrepreneurial Leadership produce outcome which is successful and affects growth. Nguyen et al. (2021) looking at the influence (Karimi, Daraei, & Sepehr, 2016) Entrepreneurial Leadership towards organizational performance with the mediation effect of organizational factors such as orientation entrepreneurial, team creativity, Dynamic Capability and competitive advantage. There is a relationship between Entrepreneurial Leadership, innovation capability and organizational performance at. Then connect the concept (Purwati, Budiyanto, Suhermin, & Hamzah, 2021)(Nguyen, Han, & Pham, 2024) Entrepreneurial Leadership In relation to organizational performance business.

Dynamic capability play a significant role in improving organizational performance business. (Nguyen, Huynh, Lam, Le, & Nguyen, 2021) Dynamic capability allowing companies to quickly adapt to changing market conditions, consumer trends, and technological advancements, this is important so that companies can remain relevant and competitive in a changing market. Leader or leader in an organization has a very important role in shaping, developing, and influencing Dynamic Capability organization. Overall, the role of leaders is very important in creating a culture of adaptation and innovation that supports development Dynamic Capability organization. Dynamic capability directly influencing organizational performance company. Research (Nguyen, Han, & Pham, 2024; Permana & Ellitan, 2020) Nguyen, et al. (2024) which connects Entrepreneurial Leadership towards firm performance through mediation dynamic capability. Furthermore, empirical studies provide evidence of a meaningful impact Entrepreneurial Leadership and Dynamic Capability towards organizational performance business, but other findings suggest there is not enough evidence to link (Nguyen, Huynh, Lam, Le, & Nguyen, 2021; Chammas & Hernandez, 2019; Paudel, 2019) entrepreneurial leadership , entrepreneurial orientation (Soenardi, 2022; Jan & Maulida, 2022; Nguyen, Han, & Pham, 2024)(Zarkasi, Arifin, & Rahimah, 2023) and Dynamic Capability (Protogerou, Caloghirou, & Lioukas, 2011) towards organizational performance business. Existence Research Gap This provides an opening for model development by placing mediating variables.

Innovation capability It is possible to act as an important mediator in the relationship between Entrepreneurial Leadership and Dynamic Capability towards organizational performance business. Entrepreneurial leadership Effective ones tend to encourage the creation of an environment that supports innovation, where risk-taking and opportunity utilization become organizational culture. In this context, innovation capability allowing companies to translate creative ideas and new opportunities into services, or processes that provide added value. Variable placement innovation capability as a mediation is also based on the findings that entrepreneurial orientation have a significant impact on the company's innovation that eventually increases organizational performance company. This research wants to (Zarkasi, Arifin, & Rahimah, 2023) Explore How Entrepreneurial Leadership Can Strengthen performance clinics through synergy Dynamic Capability and innovation. By understanding the interaction between these four variables, it is hoped that a new model will strengthen performance clinics can be formulated.

Research Objectives, This study aims to:

1. Deeply examine the role of Entrepreneurial Leadership in enhancing the performance of health clinics through the synergy of Dynamic Capability and Innovation Capability.

2. Explore how the dimensions of Entrepreneurial Leadership, such as innovation, proactivity, and risk-taking, influence an organization's ability to identify opportunities and manage changes.
3. Formulate a new model that enhances clinic performance through the interaction between Entrepreneurial Leadership, Dynamic Capability, Innovation Capability, and organizational performance.

By understanding the interaction between these four variables, it is hoped that the research results will provide significant contributions to developing management strategies that are more adaptive, innovative, and competitive for the healthcare service sector in Indonesia.

Theoretical Foundations

Entrepreneurial Leadership and Dynamic Capability

Entrepreneurial leadership emphasizing teamwork and collaboration in finding and taking advantage of opportunities Entrepreneurial to achieve a common goal. Leader (Renko, El Tarabishy, Carsrud, & Brännback, 2015) entrepreneurial ensuring that the structure and decision-making process in the organization is flexible and responsive to change. They can make strategic decisions quickly to respond to market changes or emerging challenges. Entrepreneurial leadership seems to have a strong relationship with dynamic capabilities. Although there is still little research on micro-process issues about How leaders can help develop dynamic abilities, many studies support the positive relationship between Entrepreneurial Leadership and dynamic capabilities. Thus, Entrepreneurial Leadership is suspected to have a significant influence on Dynamic Capability by creating innovative visions, building a culture that supports adaptation, and facilitating risk-taking and resource allocation. Leader entrepreneurial which effectively helps organizations to develop and utilize Dynamic Capability necessary to adapt quickly to environmental changes, increase flexibility, and achieve sustainable competitive advantage. Entrepreneurial Leadership have a significant positive impact on dynamic capability (Nguyen, Huynh, Lam, Le, & Nguyen, 2021).

H1: Entrepreneurial leadership has a positive effect on dynamic capability

Entrepreneurial Leadership and Innovation Capability

Entrepreneurial leadership is a style Leadership that combines attitudes and skills Entrepreneurial with the role Leadership traditional. Entrepreneurial leaders focus on innovation, risk-taking, and adaptation in the face of change. Fontana and Moses (2017) who measure the impact of Entrepreneurial Leadership formed from several aspects of measurement, namely strategy, communication, motivation and personal/organizational towards the company's business innovation. Leader entrepreneurial often have a vision focused on innovation and the future. They create a clear vision of how innovation can be applied to achieve organizational goals. This vision provides a clear direction and inspires the team to pursue new ideas. Entrepreneurial leaders create a culture that encourages and supports innovation. Entrepreneurial leadership has an important role in improving innovation capability (Purwati, Budiyanto, Suhermin, & Hamzah, 2021). There is a positive influence created by Entrepreneurial Leadership in increasing innovation in terms of innovative work behavior of employees at Hi-Tech. Research reveals that (Bagheri, 2017)(Paudel, 2019)Entrepreneurial Leadership have a significant impact on organizational innovation. Thus, Entrepreneurial Leadership is suspected to have a significant impact on innovation capability by creating innovative visions, building a culture that supports innovation, and facilitating risk-taking and team empowerment.

H2: Entrepreneurial leadership has a positive effect on innovation capability

Dynamic Capability and Innovation Capability

Dynamic capability allowing organizations to quickly adopt new technologies and integrate them into their operations. This flexibility facilitates the development of innovative products or services that utilize the latest technology. Organizations that have Dynamic Capability can be more effective in managing technological changes, allowing them to stay at the forefront of innovation. Dynamic capability and innovation capability, Creating a wide network of information between companies and markets can help explore more entrepreneurial opportunities. Dynamic capability which includes aspects of exploration and exploitation have a significant impact on innovation capability (Ferreira & Coelho, 2020). Dynamic capability have a positive relationship with innovation ambidexterity (Farzaneh, Wilden, Afshari, & Mehralian, 2022). Application Dynamic Capability Contribute to the development of innovation capability through consolidation Dynamic Capability first (sensing), which drives innovation. (Froehlich, Bitencourt, & Bossle, 2017)

H3: Dynamic capability has a positive effect on innovation capability

Entrepreneurial Leadership and Organizational Performance

Entrepreneurial leadership emphasizing the importance of innovation in creating competitive advantages. Leaders with a heart Entrepreneurial tend to encourage employees to think creatively, try new things, and find innovative solutions to problems. Entrepreneurial leaders tend to be more responsive to changes in the market and business environment. This ability increases organizational agility, so that it is better able to survive and thrive in dynamic and uncertain conditions. Entrepreneurial leadership resulting in product innovation and process innovation that ultimately improves performance organization. Leaders with an entrepreneurial spirit tend to take measurable risks to take advantage of existing business opportunities. (Ba Le & Lei, 2019; Migdadi, 2022) Entrepreneurial leadership can support Dynamic Capability and competitive advantages that ultimately strengthen performance organization, these findings are reinforced in further research, that (Nguyen, Huynh, Lam, Le, & Nguyen, 2021)(Nguyen, Han, & Pham, 2024)Dynamic Capability can perfectly mediate the influence Entrepreneurial Leadership towards performance organization. Research reveals that (Paudel, 2019)Entrepreneurial Leadership have a significant impact on performance organization. Leadership's ability to create and execute innovative visions is thought to play a key role in improving performance the entire organization.

H4: Entrepreneurial leadership has a positive effect on organizational performance

Dynamic Capability and Organizational Performance

Dynamic capability refers to an organization's ability to integrate, build, and configure internal and external resources to respond to changing environments and achieve competitive advantage. This concept focuses on the flexibility and adaptability of the organization in the face of rapid changes in the market. The ability to quickly change business strategies based on changing environments allows organizations to capture new opportunities and address threats, which can increase performance sum. Dynamic capability play a significant role in improving performance business. (Nguyen, Huynh, Lam, Le, & Nguyen, 2021)Dynamic capability allowing organizations to continuously develop and introduce innovations in their products or services. Organizations that have Dynamic Capability can quickly adopt new technologies and integrate them into their operations, which can improve performance consumers and Financial Performance (Wilden, Gudergan, Akaka, Averdung, & Teichert, 2019). Dynamic Capability directly influencing performance company. Thus, organizations that develop and utilize (Nguyen, Han, & Pham, 2024; Permana & Ellitan, 2020)Dynamic Capability can well achieve performance that excels, maintains a competitive advantage, and succeeds in the face of challenges and changes in the market.

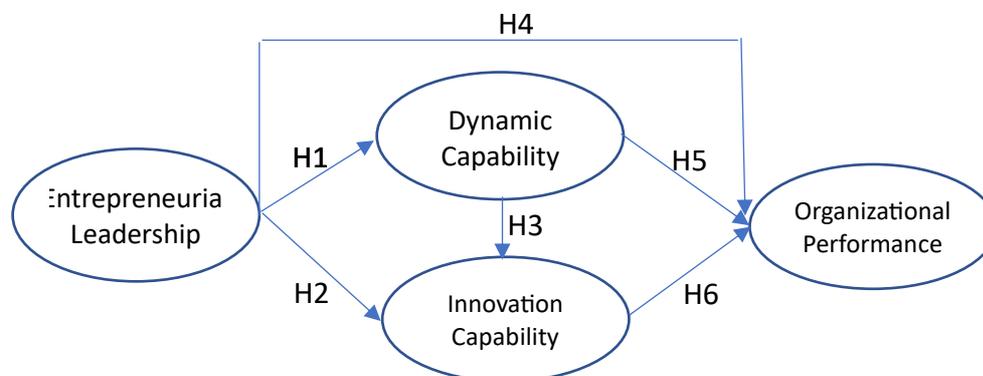
H5: dynamic capabilities have a positive effect on organizational performance

Innovation Capability and Organizational Performance

Innovation capability allowing companies to create products, services, or business models that are unique and difficult for competitors to imitate. This helps companies obtain Competitive Advantage which can increase market share and profitability. Innovation has a significant positive impact on performance company. Innovative products and processes make the company more attractive to customers, increase loyalty, and strengthen its position in the market. (Zarkasi, Arifin, & Rahimah, 2023) In the face of rapid and unsustainable market changes innovation capability, especially for the IT sector, Entrepreneurial Resources play an excellent construct to explain a company's ability to get on track performance which is quite large. (Covin & Lumpkin, 2011) Innovation capability allows to open up opportunities for Revenue growth through market diversification and wider penetration. Research reveals that organizational innovation has a significant impact on (Paudel, 2019) performance organization. Three aspects of innovation capabilities, namely the structure of ideas and organization, culture Leadership participation, and knowledge development, have some influence on various aspects performance company. The ability to innovate has a positive and significant influence on (Saunila, 2014) performance business. From a theoretical perspective, RBV places a primary emphasis on intangible skills and organizational resources of the enterprise and recognizes the importance of these resources as strategic and (Bahta, Yun, Islam, & Ashfaq, 2021) performance company. Innovation capabilities have a significant impact on performance organization. The research also supports the significant influence of innovation ability on (Ferreira & Coelho, 2020) (Migdadi, 2022) performance organization.

H6: innovation capability has a positive effect on organizational performance

Figure 1 Research Model



RESEARCH METHOD

This study uses a quantitative method with a survey design. The research sample is the leader of clinics operating in several regions in Indonesia. Data collection was carried out through a questionnaire with a Likert scale to measure the research variables.

This study adopts a quantitative approach, wherein numerical data is analyzed to derive conclusions based on observed phenomena. The target respondents are clinic owners or individuals in leadership positions, such as Heads, Managers, or Directors, who possess significant leadership competencies to influence clinic policies effectively.

The sampling process includes clinics from across Indonesia, ensuring that all selected clinics demonstrate a similarly high level of competitiveness, have reliable access to technology, and possess distinct innovation capabilities in managing their operations.

The analytical methods employed in this study include descriptive analysis, research model analysis through path diagrams, Partial Least Squares (PLS) analysis, and hypothesis testing discussions. The focus is on exploring the relationships between dependent and independent variables, as well as examining the role of mediating variables within the research framework.

Entrepreneurial leadership

Entrepreneurial leadership is a style Leadership that combines entrepreneurial skills and attitudes with functional Leadership traditional. Entrepreneurial leadership involves the ability to create innovative visions, take measurable risks, and manage change to move the organization forward. The measurement of entrepreneurial leadership can be through dimensions and indicators developed by such as (Fontana & Musa, 2017) strategic dimension, communicative dimension, motivational dimension and personal or organizational dimension.

Dynamic Capability

Dynamic capability is the ability of an organization to integrate, build, and configure internal and external resources to respond to changes in the environment and achieve competitive advantage. Dynamic capability includes the ability to adapt to market changes and innovation. Variable Dynamic Capability Lowered to four dimensions sensing capability, learning capability, integrating capability and coordinating capability (Pavlou & El Sawy, 2011; Rashidirad & Salimian, 2020)

Innovation capability

Innovation capability refers to an organization's ability to generate, develop, and implement new ideas that improve products, processes, or services. Innovation capability involves a systematic process of exploring innovation opportunities and implementing them successfully. Dimension innovation capability Include product innovation, process innovation, marketing innovation, and organizational innovation .(Migdadi, 2022)

Performance clinics

Organizational performance is a measure of the extent to which an organization achieves its goals and utilizes resources to produce the desired results. Organizational performance This is usually measured through financial, operational, and strategic indicators. Organizational performance in this case is organizational performance Clinic. Conceptually, organizational performance Clinic refers to how effective and efficient a clinic is in providing health services and achieving its business goals. Evaluation organizational performance The clinic covers various aspects/dimensions which can then be measured with various indicators. Financial organizational performance includes the return of assets or return on assets Liquidity Financial, and net profit. Organizational performance Non-Financial It includes factors related to sales growth growth, employee growth, and market share growth, then customer satisfaction, new product development capabilities, and differentiation of goods and services.(Paudel, 2019)

The sample was determined through the non-probability sampling method of purposive sampling with a sample of 385 respondents. The questionnaire is created online using Google Form. Data analysis uses the Structural Equation Modeling – Partial Least Square (SEM-PLS) model to test the relationship between variables.

RESULT AND DISCUSSION

The respondents of this study were 385 top management or owners of Small and Medium Enterprises () Health Service Clinics in Indonesia which were determined by purposive sampling techniques. Most of the clinics in this study have been operating for 10 years or more (40.78%) and have a capital of less than Rp. 500 million (48.31%). In terms of annual turnover, the majority of clinics earn less than Rp. 500 million (44.94%). Clinics with fewer than 25 employees dominate, reaching 65.71%. Clinics with a larger scale, both in terms of capital, turnover, and number of employees, have a smaller proportion. The majority of respondents in this study were aged 31-50 years (61.3%), with the majority serving as Head/Leader/Director (69.61%). In terms of education, most have a S1 degree (59.22%), followed by S2 (33.25%), while only 7.01% have a D3/D4 education and 0.52% have a S3 degree.

Measurement Model

Based on the results of data processing using Smart PLS software version 3.0, the research model shows an adequate match. This model meets the criteria required by the outer model in Smart PLS, namely: Cronbach's alpha value, composite reliability value of more than 0.7, and Average Variance Extracted (AVE) exceeding 0.5 and loading factor > 0.7. (Hair, Black, Babin, & Anderson, 2014; Yahaya, Murtala, & Onukwube, 2019)

Table 1. Measurement Model Evaluation

	Dynamic Capability		Entrepreneurial Leadership		Innovation Capability		Organizational Performance	
	Code	LF	Code	LF	Code	LF	Code	LF
Loading Factor (LF)	DC10	0,713	EL11	0,742	KI1	0,821	KO1	0,784
	DC11	0,839	EL12	0,851	KI10	0,804	KO2	0,823
	DC12	0,782	EL13	0,846	KI11	0,755	KO3	0,793
	DC13	0,828	EL14	0,818	KI12	0,810	KO4	0,833
	DC14	0,799	EL15	0,839	KI13	0,795	KO5	0,836
	DC15	0,788	EL16	0,743	KI14	0,825	KO6	0,785
	DC16	0,849	EL17	0,842	KI15	0,838	KO7	0,723
	DC17	0,797	EL18	0,810	KI16	0,822	KO8	0,745
	DC18	0,762	EL19	0,791	KI2	0,832		
	DC19	0,782	EL2	0,776	KI3	0,820		
	DC3	0,760	EL20	0,707	KI4	0,848		
	DC4	0,783	EL21	0,862	KI5	0,848		
	DC5	0,773	EL22	0,756	KI6	0,790		
DC6	0,797	EL23	0,851	KI7	0,757			
DC7	0,839	EL24	0,769	KI8	0,804			
DC8	0,792	EL3	0,713					
DC9	0,784	EL4	0,796					
	EL11		EL5	0,786				
	EL12		EL6	0,814				
	EL13		EL7	0,712				
Cronbach Alpha	0,963		0,969		0,963		0,914	
Composite Reliability	0,966		0,971		0,967		0,930	
AVE	0,629		0,628		0,659		0,626	

All of the model's criteria indicate that the values have crossed the required limits, as seen in Table 1. Thus, data analysis can be continued to the internal model analysis stage.

Structural Model

The structural model/inner model can be identified through several measurements such as the determination coefficient (R²), relevance prediction (Q²) and goodness of fit evaluation.

Table 2. Structural Model Evaluation

	R Square	R Square Adjusted	Q Square
Dynamic Capability	0,601	0,600	0,372
Innovation Capability	0,674	0,672	0,437
Organizational Performance	0,635	0,632	0,381

The R-square values for the endogenous latent variables of 0.67, 0.33, and 0.19 in the structural model indicate that the model is "good", "moderate", and "weak", while Q² values higher than 0 (small), 0.25 (moderate) and 0.50 (large) illustrate the relevance of the PLS path model. (Hair, Black, Babin, & Anderson, 2014)(Yahaya, Murtala, & Onukwube, 2019)

$$GoF = \sqrt{AVE \times R^2}$$

$$GoF = \sqrt{0,635 \times 0,637}$$

$$GoF = \sqrt{0,405} = 0,636$$

With a GoF above 0.36, this model is able to explain the relationship between variables with a high degree of accuracy, showing that entrepreneurial leadership plays a significant role in improving organizational performance through increasing Dynamic Capability and innovation. This value also reflects that the research model has strong predictive validity, supporting the relevance of the theoretical relationships proposed in the research.

Hypothesis Test

Hypothesis testing through the Bootstrapping method produces coefficient values, t-statistically and p-values as presented in the following model.

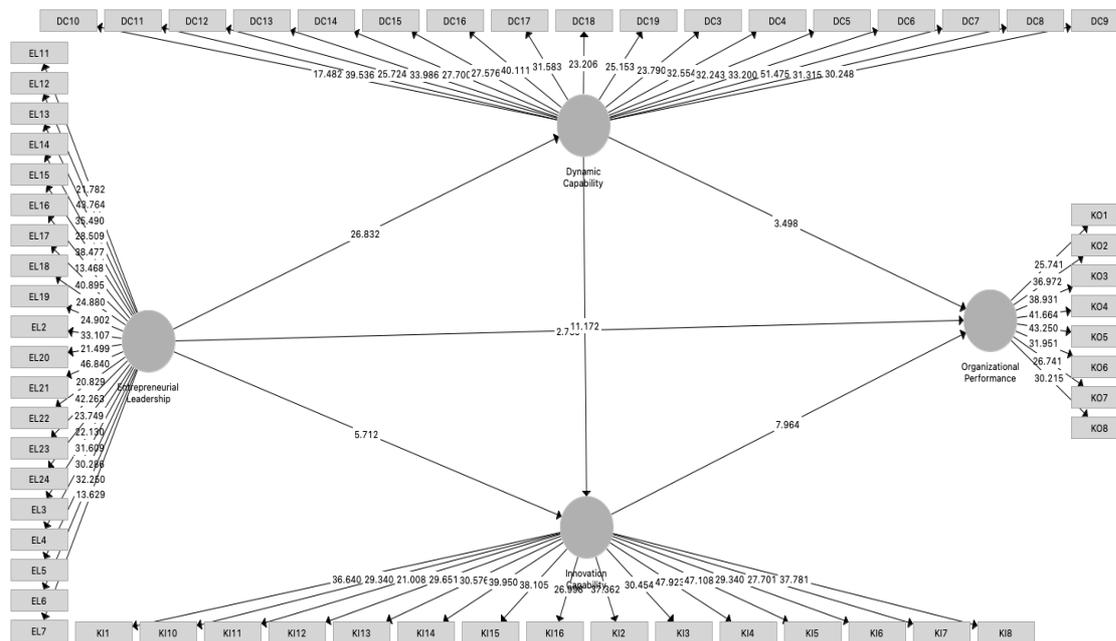


Figure 1. Research Model

The provision in making a hypothesis based on a statistical value of t at a significance level of 5%, a statistical value of $t > 1.96$ and a p value < 0.05 is said to have a significant influence (Hair, Black, Babin, & Anderson, 2014).

Table 3. Hypothesis Test

		Original Sample	T Statistics	P Values
H1	Entrepreneurial Leadership -> Dynamic Capability	0,775	26,832	0,000
H2	Entrepreneurial Leadership -> Innovation Capability	0,302	5,712	0,000
H3	Dynamic Capability -> Innovation Capability	0,564	11,172	0,000
H4	Entrepreneurial Leadership -> Organizational Performance	0,149	2,789	0,006
H5	Dynamic Capability -> Organizational Performance	0,205	3,498	0,001
H6	Innovation Capability -> Organizational Performance	0,500	7,964	0,000

Discussion

H1: Entrepreneurial Leadership → Dynamic Capability

With path coefficient by 0.775, t-statistic 26,832, and p-value 0.000, this hypothesis is significant at a 99% confidence level. These results show that Entrepreneurial Leadership has a very strong and positive influence on Dynamic Capability. These findings indicate that Leadership Those with an entrepreneurial orientation are able to improve the organization's ability to respond to change and create dynamic capabilities. Entrepreneurial Leadership have a significant positive impact on dynamic capability . (Nguyen, Huynh, Lam, Le, & Nguyen, 2021)The acceptance of this hypothesis is due to Entrepreneurial Leadership characterized by the ability of leaders to adapt to changing environments and take advantage of existing opportunities. Leaders who are entrepreneurial are usually better able to lead their teams through change and uncertainty, which is at the heart of dynamic capability. Leaders who are entrepreneurial tend to encourage a culture of innovation and experimentation within the

organization. By creating a safe environment to try out new ideas, they improve an organization's ability to adapt and respond quickly to change, which is a key component of dynamic capability.

H2: Entrepreneurial Leadership → Innovation Capability

Path coefficient by 0.302 with t-statistic 5,712 and p-value 0.000 indicates that entrepreneurial leadership has a positive and significant effect on innovation capability. Although the effect is less than the relationship with Dynamic Capability, these results confirm that Leadership innovative ones can drive improvement innovation capability in the organization. Entrepreneurial leadership has an important role in improving innovation capability (Bagheri, 2017; Paudel, 2019; Purwati, Budiyanto, Suhermin, & Hamzah, 2021). The acceptance of this hypothesis is due to Entrepreneurial Leadership characterized by the ability to encourage creativity and thinking out-of-the-box in the team. Leader Entrepreneurial creating an environment where new ideas are valued and sought-after, which is an important factor in improving innovation capability organization. Leaders with Entrepreneurial orientation has a vision that focuses on innovation as the key to long-term growth and success. They encourage organizations to invest in innovative projects and develop new products or services that can meet the changing needs of the market. One of the main characteristics of entrepreneurial leadership is the courage to take measured risks.

H3: Dynamic Capability → Innovation Capability

With path coefficient 0,564, t-statistic 11,172, and p-value 0.000, this hypothesis is significant, indicating that Dynamic Capability has a strong influence on innovation capability. These findings mean that the higher the Dynamic Capability that the organization has, the greater the organization's ability to develop innovation. Dynamic capability which includes aspects of exploration and exploitation have a significant impact on innovation capability (Froehlich, Bitencourt, & Bossle, 2017; Ferreira & Coelho, 2020; Farzaneh, Wilden, Afshari, & Mehralian, 2022). The acceptance of this hypothesis is due to Dynamic Capability allowing organizations to adapt quickly to market and technology changes. When an organization has Dynamic Capability well, they are able to identify, take advantage of, and turn new opportunities into valuable innovations, thereby increasing innovation capability Overall. Organizations with Dynamic Capability Strong ones tend to have efficient learning mechanisms, where new knowledge is acquired and applied quickly. This learning process helps organizations to develop better and more relevant innovations, whether in terms of products, processes, or business models.

H4: Entrepreneurial Leadership → Organizational Performance

This relationship shows path coefficient by 0.149, with t-statistic 2,789 and p-value 0.006, which means that this hypothesis is significant at a 95% confidence level. Although the influence Entrepreneurial Leadership towards organizational performance relatively small, this result indicates that Entrepreneurial Leadership contribute directly to the improvement performance organization. Entrepreneurial leadership have a significant impact on performance organization. (Paudel, 2019; Nguyen, Huynh, Lam, Le, & Nguyen, 2021; Nguyen, Han, & Pham, 2024)Entrepreneurial leadership resulting in product innovation and process innovation that ultimately improves performance organization. (Ba Le & Lei, 2019; Migdadi, 2022)The acceptance of this hypothesis is due to Leadership An entrepreneurial orientation encourages innovation, bold decision-making, and the creation of new opportunities, which directly contribute to the improvement of performance organization. Moreover Leadership Dynamic and proactive helps organizations to more quickly adapt to market changes and face challenges, which increases operational efficiency and effectiveness.

H5: Dynamic Capability → Organizational Performance

By value path coefficient 0,205, t-statistic 3,498, and p-value 0.001, this hypothesis is also significant. These findings show that Dynamic Capability have a positive effect on organizational performance. An organization's ability to adapt and respond to change has an important role in driving improvement performance. Dynamic capability play a significant role in improving performance business. Organizations with dynamic capabilities can quickly adopt new technologies and integrate them into operations, which improves (Permana & Ellitan, 2020; Nguyen, Huynh, Lam, Le, & Nguyen, 2021; Nguyen, Han, & Pham, 2024)performance consumers and Financial (Wilden, Gudergan, Akaka, Averdung, & Teichert, 2019). The acceptance of this hypothesis is because dynamic capability reflects the organization's ability to adapt quickly to changes in the business environment. Organizations that are able to adapt quickly can respond effectively to changes in the market, technology, and competition, which contributes to improved organizational performance. Organizations with strong dynamic capabilities are able to manage and reallocate internal resources more effectively according to changing needs. These results help organizations to maximize the use of their assets in creating value, thereby increasing overall productivity and organizational performance.

H6: Innovation Capability → Organizational Performance

This relationship has path coefficient 0,500, t-statistic 7,964, and p-value 0.000, signifies a strong and significant influence. These results show that innovation capability is a major factor in increasing performance organization. Organizations that have high innovation capabilities tend to achieve performance which is better. Organizational innovation has a significant impact on performance organization. The ability to innovate has an influence on various aspects (Paudel, 2019)performance company. The acceptance of this hypothesis is due to (Saunila, 2014; Bahta, Yun, Islam, & Ashfaq, 2021; Ferreira & Coelho, 2020; Migdadi, 2022)innovation capability allowing the organization to create a new and different service, or process from competitors. These innovations help organizations to stay competitive in the market, attract more customers, and increase market share, which has a positive impact on organizational performance Financial and operational. Organizations that have innovation capability Strong ones are better able to respond to changing consumer needs and preferences. By offering more innovative and relevant solutions, organizations can improve customer satisfaction, which ultimately contributes to revenue growth and organizational performance.

CONCLUSION

All hypotheses were accepted with a high level of significance, showing that entrepreneurial leadership, dynamic capability, and innovation capability have an important role in improving organizational performance. Dynamic capability and innovation capability act as mediators that strengthen the relationship between entrepreneurial leadership and organizational performance. Thus, organizations led with an entrepreneurial approach can strengthen Dynamic Capability and be innovative, which ultimately improves organizational performance. Therefore, organizations must prioritize the development of leadership with an entrepreneurial orientation to create strong adaptability and innovation in facing market challenges. Further research can be conducted with a longitudinal approach to examine how the influence of entrepreneurial leadership on organizational performance develops over time and in various industry contexts.

Limitations

In conducting this research, there are several limitations, so that it becomes a record and suggestion for further research. This study is limited to the use of non-probability sampling techniques, namely purposive sampling, which may reduce the generalization of research results.

The research is also limited to the context of specific industries or sectors, namely primary and general clinics, which can affect its results and relevance in other sectors. This study focuses on a number of variables such as entrepreneurial leadership, dynamic capability, and innovation capability, but other variables that have the potential to affect organizational performance have not been considered.

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