



Innovate & Inspire: Bridging Communities Through Digital Leadership for Sustainability

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ABSTRACT

This community service article aims to strengthen digital leadership capacity among MSME actors through an international Knowledge Transfer Program (KTP) collaboration between Universitas Muslim Nusantara Al Washliyah and Universiti Teknologi Mara Cawangan Kelantan, Malaysia. The program focuses on empowering communities and increasing the sustainability of MSMEs through digital leadership training, mentoring, and socialization activities. The implementation involved Nordin Batik Sdn. Bhd as a partner engaged in traditional batik production in Kelantan, Malaysia. The methods used include planning, socialization, training, mentoring, participation, and evaluation stages. The results show an increase in participants' understanding of digital leadership, improvement of innovation capabilities, enhancement of business professionalism, and stronger readiness to face digital transformation challenges. This program also contributes to strengthening international collaboration and sustainable MSME development.

INTRODUCTION

In an increasingly interconnected world, sustainable development requires not only technological advancement but also active community participation and visionary leadership. Communities are expected to adapt to rapid technological changes while maintaining social, economic, and cultural sustainability. Therefore, leadership becomes an important factor in bridging communities and encouraging collaborative action toward sustainable development. Sustainable leadership is not only focused on organizational achievement but also emphasizes long-term social responsibility, ethical decision-making, and community empowerment (Claremont Lincoln University, n.d.).

Digital transformation has significantly changed the way organizations and communities operate. In the current era, digital leadership is considered one of the essential competencies needed to support innovation, adaptability, and organizational sustainability. Digital leadership refers to the ability of leaders to utilize technology strategically, collaboratively, and adaptively in achieving organizational goals and responding to environmental changes. Effective digital leadership enables organizations to improve communication, innovation, productivity, and competitiveness in the global market (Jung, 2022).

The implementation of sustainability-oriented leadership requires systems thinking and collaboration among stakeholders. Sustainable leaders are expected to encourage participation from communities, businesses, educational institutions, and governments to create inclusive and resilient development. According to Syahchari and Van Zanten (2024), leadership and community involvement have a significant role in achieving sustainable development because collaborative participation strengthens organizational effectiveness and social resilience. In addition, DiBella et al. (2023) stated that sustainability-oriented practices among SMEs can improve organizational resilience and create positive impacts on community development.

The Knowledge Transfer Program (KTP) implemented through collaboration between Universitas Muslim Nusantara Al Washliyah and Universiti Teknologi Mara (UiTM) Cawangan Kelantan aims to transfer knowledge, innovation, and practical skills related to digital leadership for Micro, Small, and Medium Enterprises (MSMEs). This program involves Nordin Batik Sdn. Bhd, a small-medium enterprise located in Kelantan, Malaysia, which focuses on producing traditional batik products rich in cultural values and local heritage.



Figure 1. Nordin Batik and Craft Sdn, Bhd

Despite having strong cultural identity and market potential, Nordin Batik still faces several challenges, particularly in financial management, sustainable business development, innovation capability, and adaptation to digital transformation. These challenges indicate the importance of strengthening digital leadership capacity to support business sustainability and competitiveness in the international market. MSMEs today are required not only to maintain product quality but also to adapt to technological changes and market dynamics.

Through this community service activity, the service team provides socialization, training, and mentoring related to digital leadership, sustainable business management, and innovation development. The implementation of this program is expected to improve participants' understanding and practical skills regarding the utilization of digital technology for business development and sustainability. Furthermore, the program also supports the Sustainable Development Goals (SDGs), especially those related to quality education, economic growth, innovation, and sustainable communities.

The novelty of this community service activity lies in the integration of international collaboration, sustainability-oriented leadership strengthening, and practical digital leadership mentoring for MSMEs. Unlike conventional training programs, this activity combines academic knowledge transfer with direct mentoring and cross-country collaboration to support sustainable MSME development. Therefore, this program is expected to create long-term impacts for community empowerment and organizational sustainability.

LITERATURE REVIEW

Digital Leadership Theory

Digital leadership refers to the ability of leaders to utilize digital technology strategically in managing organizations, encouraging innovation, and supporting organizational transformation. Digital leadership emphasizes adaptability, collaboration, innovation, and technology-based decision-making to improve organizational effectiveness and competitiveness in the digital era. According to Jung (2022), leadership has an important role in organizational transformation because leaders influence innovation culture, strategic direction, and organizational sustainability. Effective digital leadership also encourages

organizations to become more adaptive to technological change and market dynamics.

Sustainability Leadership Theory

Sustainability leadership refers to leadership practices that emphasize long-term social, environmental, and economic sustainability. Sustainable leaders prioritize ethical decision-making, collaboration, and community empowerment in achieving organizational goals. According to Claremont Lincoln University (n.d.), sustainability leadership focuses on systems thinking, stakeholder collaboration, and community engagement to create sustainable solutions. Sustainable leadership also supports organizations in addressing social and environmental challenges through innovation and inclusive decision-making.

MSMEs and Sustainable Development

Micro, Small, and Medium Enterprises (MSMEs) play an important role in economic growth, employment creation, and community empowerment. However, MSMEs often face challenges related to technological adaptation, financial management, and business sustainability. DiBella et al. (2023) stated that sustainability-oriented practices among SMEs can improve organizational resilience, innovation capability, and community development. The implementation of digital leadership in MSMEs is expected to improve organizational performance and support sustainable business practices.

Previous Studies

Several previous studies support the relationship between digital leadership and sustainable organizational development. Jung (2022) found that leadership significantly influences organizational innovation and long-term sustainability. DiBella et al. (2023) revealed that sustainability-oriented business practices positively contribute to organizational and community resilience. In addition, Syahchari and Van Zanten (2024) emphasized that collaborative leadership and community involvement strengthen sustainable development initiatives.

Community Service Framework

The implementation of this community service activity was conducted through collaboration between Universitas Muslim Nusantara Al Washliyah and Universiti Teknologi Mara Cawangan Kelantan. The program emphasizes knowledge transfer activities through socialization, training, mentoring, and evaluation to improve digital leadership understanding and sustainable business capability among MSME actors.



Figure 2. IPTEKS Description

METHODOLOGY

The implementation methods carried out in this activity program are as follows:

Planning

At the planning stage, the community service team conducted data collection, discussions, and direct observation related to partner needs and problems. Coordination activities were also carried out between the community service team and Universiti Teknologi Mara (UiTM) Cawangan Kelantan to determine the implementation strategy and appropriate training materials for participants.

Implementation

The implementation stage focused on socialization and training activities related to digital leadership and sustainable business development for MSMEs. The activity applied both classical and individual approaches. The classical approach was conducted through presentations and discussions during material delivery, while the individual approach was implemented through mentoring and practice sessions to improve participant understanding and practical skills.



1. Socialization and Training

Alternative problem-solving for partner issues was carried out through socialization and training activities using classical and individual approaches. The classical approach was implemented during the delivery of materials through presentations and discussions, while the individual approach was conducted through practical mentoring activities. The training focused on increasing participant knowledge regarding financial literacy, sustainable capital markets, leadership skills, and digital leadership skills. Through these activities, participants were expected to improve their understanding and competencies in digital leadership to support MSME business development and sustainability.

2. Partner Participation

Partner participation became an important aspect of this community service activity. Partners provided venues and facilities for training activities at UiTM Cawangan Kelantan Malaysia and actively participated in discussions and question-and-answer sessions. In addition, partners were involved in all stages of the program, including problem formulation, program planning, scheduling, implementation, and evaluation. A participatory approach was also applied to encourage collaborative problem-solving and decision-making between the service team and partners.

3. Sustainability

The sustainability stage aimed to ensure that participants continuously apply leadership and digital leadership skills after the completion of the program. This activity was also expected to strengthen collaboration networks between Universitas Muslim Nusantara Al Washliyah and UiTM Cawangan Kelantan Malaysia for future community empowerment programs.

4. Evaluation

Evaluation activities were carried out to assess the effectiveness of the socialization and training process. The evaluation focused on participant performance, understanding, and activity implementation. The results of the evaluation were used as references for improving and updating future community service activities.

RESULT AND DISCUSSION

Strengthening the Adoption of Products Resulting from International Research

The Knowledge Transfer Program (KTP) implemented through collaboration between Universitas Muslim Nusantara Al Washliyah and Universiti Teknologi Mara (UiTM) Cawangan Kelantan focused on enhancing digital leadership skills for inclusive economic empowerment. This activity aimed to transfer findings and innovations resulting from international community service implementation to local MSME actors, particularly Nordin Batik Sdn. Bhd in Kelantan, Malaysia.

Nordin Batik Sdn. Bhd is a small and medium enterprise producing traditional batik products that reflect the cultural heritage of Kelantan. However, the company still faces several challenges related to financial management, access to sustainable capital markets, and digital business adaptation. Through this program, participants received knowledge regarding sustainable digital leadership, innovation management, and the utilization of digital technology in business development.

The implementation of international knowledge transfer activities strengthened participants' understanding regarding strategic digital leadership and sustainable business practices. The program also improved participants' capability in utilizing digital technology to support decision-making, innovation, and organizational collaboration. Furthermore, this activity strengthened the competitiveness of MSMEs through the implementation of leadership practices aligned with global business developments and sustainability trends.

The Strength of Indonesian Products Through Research by the UMN Al-Washliyah Team

Through the Knowledge Transfer Program (KTP), the community service activity conducted by the UMN Al-Washliyah team contributed to strengthening Indonesian MSME products through sustainable digital leadership implementation. The activity encouraged MSME actors to understand sustainable business development and improve their readiness in accessing sustainable capital markets. This program also helped connect local products with stakeholders and investors who support social and environmental sustainability.

Impact of Knowledge Transfer Program Activities

The implementation of the Knowledge Transfer Program had significant impacts on MSME actors and productive community groups in Indonesia and Malaysia. Participants acquired practical skills related to digital leadership, innovation, and digital transformation. Through knowledge transfer activities, participants gained a better understanding of digital team management, technology-based decision-making, and adaptive business strategies in facing market changes.

In addition, the implementation of digital leadership practices helped MSMEs optimize digital platforms for marketing, operations, and customer service. As a result, MSMEs improved their business efficiency, expanded market access, and strengthened organizational resilience in facing challenges in the digital economy era.

The implementation of the Knowledge Transfer Program (KTP) demonstrated that digital leadership training and mentoring activities can improve participant understanding and readiness in facing digital transformation challenges. Through socialization, discussions, and practical mentoring, MSME actors gained broader insights regarding the importance of adaptive leadership, innovation, and technology utilization in supporting sustainable business development. The results indicate that digital leadership is not only important for organizational management but also plays a significant role in strengthening competitiveness and organizational resilience in the digital era.

The findings of this community service activity are in line with Jung (2022), who stated that leadership has a strong influence on organizational transformation and sustainability. Effective leadership encourages organizations to become more adaptive, innovative, and capable of responding to environmental changes. In this activity, participants showed increased awareness regarding the importance of digital leadership in improving communication, collaboration, and decision-making processes within business operations.

Furthermore, the implementation of sustainability-oriented leadership in MSMEs supports the development of responsible and long-term business practices. Participants were introduced to sustainability principles related to innovation, ethical decision-making, and collaborative problem-solving. This

finding supports the study conducted by DiBella et al. (2023), which explained that sustainability-oriented practices among SMEs contribute positively to organizational resilience and community development.

The collaboration between Universitas Muslim Nusantara Al Washliyah and Universiti Teknologi Mara (UiTM) Cawangan Kelantan also provided positive impacts through knowledge exchange and international cooperation. Cross-cultural interaction and collaborative learning activities allowed participants to gain broader perspectives regarding digital transformation and sustainable leadership implementation. This result is consistent with Syahchari and Van Zanten (2024), who emphasized that community involvement and collaborative leadership strengthen sustainable development initiatives and social empowerment.

In addition, this community service activity contributed to strengthening MSME professionalism and innovation capability. Participants became more confident in utilizing digital platforms for communication, marketing, and business operations. The mentoring activities also encouraged participants to improve their adaptability and readiness in facing global business competition and technological changes.

Overall, the implementation of this international community service program demonstrated that knowledge transfer activities focusing on digital leadership and sustainability can create positive impacts for MSME development. The integration of leadership strengthening, innovation, and international collaboration is expected to support sustainable community empowerment and long-term organizational growth.

CONCLUSIONS AND RECOMMENDATIONS

The implementation of the Knowledge Transfer Program (KTP) through collaboration between Universitas Muslim Nusantara Al Washliyah and Universiti Teknologi Mara (UiTM) Cawangan Kelantan successfully improved participant understanding regarding digital leadership and sustainable business development for MSMEs. Through socialization, training, and mentoring activities, participants gained knowledge and practical skills related to innovation, digital transformation, leadership, and sustainability-oriented business practices.

This community service activity also strengthened MSME readiness in facing technological and market changes. Participants became more aware of the importance of utilizing digital technology to support communication, decision-making, innovation, and business competitiveness. In addition, the program strengthened international collaboration and knowledge exchange between institutions in Indonesia and Malaysia.

Based on the implementation results, it is recommended that future community service programs provide more intensive mentoring and continuous training related to digital leadership and business sustainability. Broader stakeholder involvement and stronger collaboration networks are also necessary to support long-term MSME development and sustainable community empowerment in the digital era.

FURTHER STUDY

This community service activity has several limitations, particularly regarding the scope of participants and the limited duration of the implementation process. The program focused primarily on one MSME partner, namely Nordin Batik Sdn. Bhd, so the results may not fully represent the conditions and challenges faced by other MSMEs in different sectors or regions. In addition, the evaluation of the program was conducted within a relatively short period, which limits the ability to measure the long-term impact of digital leadership implementation on business sustainability and organizational performance.

Therefore, future studies and community service activities are recommended to involve a larger number of MSME participants from various business sectors and regions to obtain broader insights regarding digital leadership implementation. Further research is also suggested to examine the long-term effectiveness of digital leadership training on MSME innovation capability, organizational resilience, and sustainable business growth in the digital era.

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