





# Exclusive human values as a mediator of leadership skills to improve organisational performance



## Authors:

Danang S.W.P.J. Widakdo<sup>1</sup>   
 Riza R. Bachtiar<sup>1</sup>   
 Rudi T. Handoko<sup>2</sup>   
 Halil Halil<sup>1</sup> 

## Affiliations:

<sup>1</sup>Department of Agribusiness,  
 Faculty of Agriculture,  
 Politeknik Negeri  
 Banyuwangi, Banyuwangi,  
 Indonesia

<sup>2</sup>Department of Hotel  
 Management, Faculty of  
 Tourism, Politeknik Negeri  
 Banyuwangi, Banyuwangi,  
 Indonesia

## Corresponding author:

Danang Widakdo,  
 danang.sudarso@poliwangi.  
 ac.id

## Dates:

Received: 24 Sept. 2025  
 Accepted: 04 Nov. 2025  
 Published: 15 Dec. 2025

## How to cite this article:

Widakdo, D.S.W.P.J.,  
 Bachtiar, R.R., Handoko, R.T.,  
 & Halil, H. (2025). Exclusive  
 human values as a mediator  
 of leadership skills to  
 improve organisational  
 performance. *SA Journal  
 of Human Resource  
 Management/SA Tydskrif  
 vir Menslikehulpbronbestuur*,  
 23(0), a3362. [https://doi.  
 org/10.4102/sajhrm.  
 v23i0.3362](https://doi.org/10.4102/sajhrm.v23i0.3362)

## Copyright:

© 2025. The Authors.  
 Licensee: AOSIS. This  
 work is licensed under  
 the Creative Commons  
 Attribution 4.0 International  
 (CC BY 4.0) license  
 ([https://creativecommons.  
 org/licenses/by/4.0/](https://creativecommons.org/licenses/by/4.0/)).

## Read online:



Scan this QR  
 code with your  
 smart phone or  
 mobile device  
 to read online.

**Orientation:** The Indonesian sugar industry faces significant challenges, including high production costs, reliance on imported raw materials, and centralised production in Java. Addressing these issues requires leadership that integrates technical competence with strong human values to drive organisational performance.

**Research purpose:** This study analyses the direct influence of leadership soft skills on organisational performance and its indirect influence, mediated by Exclusive Human Values (EHV). The EHV encompass industry-specific attributes such as work enthusiasm, problem-solving ability, intellectual quality, and adaptability.

**Motivation for the study:** The research is motivated by the need to understand how values-based leadership can cultivate a more ethical, inclusive, and high-performing work environment within this strategically vital yet challenged sector.

**Research approach/design and method:** A quantitative, cross-sectional survey design was employed. Data were collected from 406 leaders across 29 sugar factories under Sinergi Gula Nusantara, using proportional random sampling. The hypothesised relationships were tested using structural equation modelling.

**Main findings:** Leadership soft skills demonstrated a direct, positive, and significant effect on both EHV and organisational performance. Furthermore, EHV significantly and indirectly influenced organisational performance and fully mediated the relationship between leadership skills and performance.

**Practical/managerial implications:** Organisations should invest in leadership development programmes that build both technical skills and EHV. Fostering a corporate culture that embodies and rewards these values is crucial for achieving sustainable performance improvements.

**Contribution/value-add:** This study provides empirical evidence for EHV's fully mediating role, offering policymakers and practitioners in state-owned enterprises valuable insights for enhancing performance through values-based leadership.

**Keywords:** exclusive human values; leadership soft skills; organisational performance; state-owned enterprises; Indonesian sugar industry.

## Introduction

In an increasingly competitive business world, organisations must focus not only on financial aspects but also on overall performance, encompassing innovation, employee satisfaction and social responsibility. Improving organisational performance is one of the primary goals every business entity must achieve (Korhonen et al., 2023). In this context, practical leadership skills play a crucial role in directing and motivating teams to achieve shared goals.

Good leadership involves not only strategic decision-making but also the ability to inspire and empower team members. Effective leaders are sensitive to the needs and aspirations of their employees and can create a positive and inclusive work environment (Korkmaz et al., 2022). Therefore, high-quality leadership can improve individual and team performance, which in turn contributes to overall organisational performance. However, practical leadership skills cannot stand alone without the support of human values.

These values include integrity, empathy, fairness and mutual respect, which form a crucial foundation for interactions between individuals within an organisation. When leaders incorporate

unique human values into their leadership style, they not only build trust but also promote healthy and productive performance within the organisation. One challenge facing many organisations is a lack of employee engagement, often caused by authoritarian leadership or a failure to listen. Employee dissatisfaction can lead to decreased productivity and negatively impact organisational performance (Gazi et al., 2024). Therefore, it is important to explore how leadership skills, underpinned by human values, can improve employee engagement and motivation. Effective leadership based on exclusive human values (EHV) can improve organisational performance. Leaders with high skills tend to lead organisations to superior performance. However, if leadership is not grounded in these values, there is a risk of manipulation and exploitation.

Exclusive human values are not merely complementary elements, but core components that mediate the success of leadership skills in improving organisational performance. Without these values, leadership skills lose their moral significance and risk degrading the quality of interpersonal relationships within the organisation. Therefore, integrating leadership and EHV is a holistic strategy for organisational sustainability.

Sinergi Gula Nusantara, better known as Sugar Co, is a sugar commodity subholding of PTPN III (Persero) Plantation Holding, which is responsible for managing all sugar factories within the PTPN Group. Established as a manifestation of one of the national strategic projects (PSN), this company is one of 88 programmes of the Ministry of State-Owned Enterprises (BUMN) for 2020–2023 to support the acceleration of the Food Security Programme, particularly the achievement of national sugar self-sufficiency. At the beginning of PT SGN's establishment on 17 August 2021, the company's shares were owned by PTPN III (Persero) Plantation Holding and PTPN XI. The concepts of professionalism, synergy, efficiency and effectiveness are the guidelines for Sinergi Gula Nusantara in managing its sugar factories spread across North Sumatra, South Sumatra, Lampung, Central Java, East Java and South Sulawesi. This concept is known as Amanah, Kompeten, Harmonis, Loyal, Adaptif and Kolaboratif (abbreviated as AKHLAK). In addition to implementing AKHLAK values in every aspect of the company's operations, the company also aims to achieve operational excellence to support the national sugar self-sufficiency programme.

This research is expected to provide practitioners and academics with insights into the importance of integrating leadership skills with EHV to improve organisational performance. This is a crucial step towards creating organisations that are financially successful and that make a positive contribution to society and the environment.

## Literature review

Leadership skills are the strengths and abilities demonstrated by individuals that help oversee processes,

guide initiatives and direct their employees towards achieving goals. Leadership skills are a critical component in positioning executives to make informed decisions about the organisation's mission and goals and to allocate resources appropriately to achieve those goals (Garrido-Moreno et al., 2024).

Valuable leadership skills include the ability to delegate, inspire and communicate effectively. Other leadership traits include honesty, self-confidence, commitment and creativity. Contemporary definitions emphasise that leadership is the ability to influence others to achieve common goals, encompassing dimensions such as ethical behaviour, emotional intelligence and adaptability to change (Liden et al., 2025).

Exclusive human values refer to unique abilities, skills and characteristics that provide added value that cannot be replaced by technology or machines. These values are universal values that encourage us to consider the human element in our interactions with others, such as respect, compassion, empathy and peace (Rider et al., 2014). In general, these values are considered essential for building good character and creating a harmonious environment. These values are core values that shape personality and determine how we should act in life (Parks & Guay, 2009). These values are crucial because they shape our identity and serve as our guide in living our lives. The values we uphold determine who we are and how we live our lives, as well as the decisions we make every day. Without these values, life would be chaotic, and there would be no meaning behind everything we do or say.

The desired results of an organisation resulting from the behaviour of its people are referred to as organisational performance. Organisational performance is the totality of work results achieved by an organisation. Achieving organisational goals means that an organisation's performance can be assessed by the extent to which it achieves its previously set goals (Zada et al., 2023). Performance within the organisational scope refers to the work results achieved by an organisation in carrying out a job, and the level of performance can be evaluated.

Improving organisational performance has become a primary focus for many companies and institutions. While various management strategies and techniques have been introduced, practical leadership skills remain a key factor in achieving organisational goals. A competent leader needs not only technical knowledge and expertise, but also the ability to build strong relationships and motivate teams (Abson et al., 2024). Several studies on leadership skills (Connelly et al., 2000) found that a leader's complex problem-solving skills, social judgement and knowledge partially mediate the relationship between cognitive ability, motivation and personality traits and leader effectiveness. Other research found that a leader's skill in leveraging employee engagement not only improves employee performance but also impacts organisational performance (Qalati et al., 2022). Furthermore,

Poláková et al. (2023) found that skills play a crucial role in enriching interpersonal interactions, fostering effective collaboration and teamwork, enhancing adaptability and resilience, encouraging innovation, building strong relationships and supporting personal and professional development.

Leadership is the most important element in the general management process. The success or failure of an organisation is determined by a leader's ability to carry out their duties (Zada et al., 2023). Leadership is crucial for advancing a society, business or other organisations. Leadership begins with self-leadership, leads others and leads an organisation. Generation Z, lacking leadership skills, is like a human being rich in ideas but poor in action. Some of the criteria leaders must possess are visionary, innovative, vision-creating, communication skills, motivational skills, direction skills, decision-making skills, coaching skills and three dimensions of skill: intelligence, personality and ability (Subramanian & Banihashemi, 2024).

One often overlooked yet crucial element in the context of leadership is human values. These values include integrity, empathy, fairness and respect, all of which contribute to the formation of a positive organisational culture (Iddrisu, 2025). Exclusive human values serve as the basis for leaders to make decisions that are not only economically beneficial but also consider social and moral impacts. Leaders must serve as role models for their employees and develop effective and supportive mechanisms to foster the growth of technically sound and ethically responsible employees.

Leadership skills supported by human values can contribute to improved organisational performance. Mumford et al. (2000) found that to achieve extraordinary performance, organisations must cultivate leaders with specific abilities, including planning, problem-solving, adaptability, innovation and specialised skills. This is the implication of human values in understanding organisational leadership. Human values are eternal and timeless truths (Danaher, 2021). Without human values and motivational standards, humans tend to lack direction and move towards harsh, cruel and inhumane behaviour.

Superior organisational performance is achieved through the complementarity of effective and superior leadership standards with successful organisational management. This is reflected in the strength of the people within the organisation, the surrounding environment and the technology available, all within a directed and practical framework, to achieve overall organisational excellence in performance.

The role of leadership skills is crucial because it is collective and does not rely on a single individual. Skilled leaders with teams that have a collaborative and socially supportive culture will ensure the strength of a team, which strong individuals do not always guarantee (Giustiniano et al., 2020). On the other hand, Hensellek et al. (2023) stated that the entire company's workforce in improving organisational performance will be a strategic advantage for the company, which is greatly

influenced by the leadership skills. Furthermore, it is stated that organisational performance is greatly influenced by leaders with high intelligence who create trust in the work team within the organisation, and this indicates organisational resilience (Coronado-Maldonado & Benítez-Márquez, 2023). To achieve organisational targets, employees will be motivated to perform work beyond expectations by resilient leaders (Dartey-Baah, 2015). The best approach to meeting organisational needs is to utilise leadership skills.

Project success is influenced by leadership. Project success demonstrates strong organisational performance; thus, project success also indicates the achievement of organisational targets or a manifestation of organisational success (Ashfaq et al., 2023). There is a relationship between leadership and organisational performance at various levels within a supportive work environment (Cakir et al., 2023). In time-sensitive organisations, team coordination is crucial for implementing changes in performance and leadership behaviour over time while maintaining a focus on effective time management (Siddiquei et al., 2022).

Conceptually, skilled leaders will perform well in organisations and will create a strong organisation. The primary function of leadership skills is to empower employees, provide stability, communicate the organisation's vision and mission and address various issues and challenges. Positive outcomes in organisations are also associated with this form of leadership (Yazici & Öztirak, 2023). This is reinforced by Feranita et al. (2020), who found that leadership is important in improving the performance of SMEs. The results of research by Förster and Duchek (2017) and Hussain et al. (2023) highlight that resilient leadership enhances the resilience of organisational performance. Another finding by Pavez et al. (2021) states that member trust in a team is also related to organisational resilience. Maximising targets and performance for organisational growth requires instilling resilient leadership (Liyanagamage et al., 2023). Referring to the description above, the formulated hypothesis is:

- H1:** Leadership skills have a significant influence on exclusive human values.
- H2:** Leadership skills have a significant influence on organisational performance.
- H3:** Exclusive human values have a significant influence on organisational performance.
- H4:** Leadership skills have a significant influence on organisational performance through exclusive human values.

An illustration of the conceptual framework in this study, based on the literature review and hypothesis development, is provided in Figure 1.

The research construct is that leadership skills directly influence EHV and organisational performance. Exclusive human values directly influence organisational performance. Furthermore, leadership skills indirectly influence organisational performance through EHV.

## Research design

The research approach used a quantitative survey with a cross-sectional design. The study population was the entire management of Sinergi Gula Nusantara, a group of sugar mills that oversees 36 sugar mills in Sumatra, Java and Sulawesi. Sinergi Gula Nusantara is headquartered in Jakarta with a representative office in Surabaya. Sinergi Gula Nusantara was chosen because it addresses three key challenges facing the increasingly complex sugar industry: high production costs, dependence on imported raw materials and centralised production in Java. Various factors, including the cost of sugarcane, inefficient technology and uneconomical production processes, contribute to high production costs. Furthermore, the national sugar industry remains dependent on imported raw materials to meet domestic demand. Furthermore, centralised production in Java presents challenges due to the lack of equitable development in the region and the potential risk of disruption.

A proportional random sampling technique was used, resulting in a sample of 406 managers from 29 sugar mills affiliated with Sinergi Gula Nusantara, spread across several cities on the island of Java. Data collection was conducted using a questionnaire.

The questionnaire was compiled and developed using indicators sourced from the literature and previous research. Indicators in the leadership skills variable were adapted from Ainscow (2020), Qalati et al. (2022), Piwowar-Sulej and Iqbal (2023) and Hassan et al. (2023), which consists of five indicators: adaptability, agility, technology integration, empathy and inclusion. Indicators in the EHV variable were adapted from Williams and O'Boyle (2008), Yakunina and Bychkov (2015), Widakdo (2022) and Czupryna et al. (2024), which consists of seven indicators: skills, work enthusiasm, planning ability, problem-solving ability, intellectual quality, work experience and adaptability in learning. Organisational performance indicators in the study were adapted from Richard et al. (2009), Grafton et al. (2010), Popova and Sharpanskykh (2010), Slavković and Babić (2013) and Kassa and Worku (2025), namely: productivity, profitability, service quality, timeliness, satisfaction with service, quick problem-solving, responsibility and accountability.

Data collection was conducted from May 2025 to June 2025 using an online questionnaire created with Google Forms, and all responses were included in this study. The data from the questionnaire were first tested for validity and reliability using the Statistical Package for the Social Sciences (SPSS) computer program, followed by structural equation modelling (SEM) using the IBM AMOS computer program.

For path analysis using SEM-AMOS, data must meet model fit requirements (goodness-of-fit) using the AMOS programme's features. The AMOS model fit criteria are presented in Table 1.

The Chi-square (CMIN) value is expected to be small with a probability of more than 0.05. The CMIN/*df* value or minimum sample discrepancy function/degree of freedom is said to be qualified if  $\leq 2$ ; root mean square error of approximation (RMSEA), qualified if  $\leq 0.08$ ; goodness-of-fit index (GFI) and adjusted goodness-of-fit (AGFI), qualified if  $\geq 0.90$ , but if between 0.80 and 0.90, it is still acceptable; Tucker-Lewis index (TLI) and comparative fit index (CFI), qualified if  $\geq 0.95$ , but if between 0.80 and 0.95, it is still acceptable.

Table 2 presents the distribution of respondents by gender, age, education level, position and work period.

Table 2 shows that the majority of respondents were male (76.4%), indicating gender dominance in this study sample, which may reflect demographic characteristics or a more male-dominated job sector. The 31–45 years age range, which accounts for 58.9%, indicates that this age group is the primary focus of the productive and professionally mature individuals. A bachelor's degree level of education (52.2%) suggests that respondents have a relatively high academic background. The dominant position of department head (30.3%) indicates that most respondents are at the middle managerial level, which typically has significant strategic and operational responsibilities. Furthermore, work experience between 10 years and 20 years (38.9%) indicates a sufficient level of seniority, potentially providing in-depth insight and stability in their work context. This combination of characteristics depicts a profile of respondents who are relatively well-established professionally and influential within the organisations where they work.

## Ethical considerations

Ethical clearance to conduct this study was obtained from the Politeknik Negeri Banyuwangi (No. 10456/PL36/KS.00.01/2025).

**TABLE 1:** Goodness-of-fit criteria.

Index	Cut off	Decision
CMIN	Small	Fit
Probability	$\geq 0.05$	Fit
CMIN/ <i>df</i>	$\leq 2.00$	Good fit
RMSEA	$\leq 0.08$	Good fit
GFI	$\geq 0.90$	Good fit
	0.80–0.90	Margin fit
	$< 0.80$	Not fit
AGFI	$\geq 0.90$	Good fit
	0.80–0.90	Margin fit
	$< 0.80$	Not fit
TLI	$\geq 0.95$	Good fit
	0.80–0.95	Margin fit
	$< 0.80$	Not fit
CFI	$\geq 0.95$	Good fit
	0.80–0.95	Margin fit
	$< 0.80$	Not fit

Source: Kline, R.B. (2012). *Principles and practice of structural equation modelling*. D.A. Kenny & T.D. Little (Eds.), 4th ed. The Guilford Press

CMIN, minimum discrepancy; *df*, degrees of freedom; RMSEA, root mean square error of approximation; GFI, goodness-of-fit index; AGFI, adjusted goodness-of-fit index; TLI, Tucker-Lewis index; CFI, comparative fit index.

## Results

The research findings on the mediating influence of EHV on leadership skills and organisational performance encompass two aspects: instrumentation testing, which includes validity and reliability tests, and path analysis. Each is explained as follows.

### Validity and reliability test

The validity test, using the Pearson product moment, and the reliability test, using Cronbach's alpha, are presented in Table 3.

Based on the validity test results, the  $p$ -value for each question item is  $< \alpha$  (0.05), indicating that the questions on the leadership skill, EHV and organisational performance variables are valid. The Alpha-Cronbach coefficient value for each variable is also greater than 0.60, indicating that the data for each variable are reliable.

### Path analysis

Table 4 presents the results of testing the direct and indirect influence of leadership skills (mediated by EHV) on organisational performance variables. The test results indicate that leadership skills have a positive and significant influence, both directly and indirectly, on organisational performance variables. Therefore, it can be concluded that leadership skills influence EHV and organisational performance.

The test results indicate that the first, second, and third hypotheses are direct influence hypotheses, while the fourth hypothesis is an indirect influence hypothesis mediated by

**TABLE 2:** Distribution of respondents.

Characteristics	Frequency	%
<b>Gender</b>		
Female	96	23.6
Male	310	76.4
<b>Age (years)</b>		
< 30	25	6.2
30–45	239	58.9
> 45	142	35.0
<b>Education</b>		
High school	17	4.2
Diploma	139	34.2
Bachelor's degree	212	52.2
Master's degree	38	9.4
<b>Position</b>		
Warehouse manager	62	15.3
Section manager	123	30.3
Quality control	117	28.8
Assistant manager	83	20.4
Processing manager	21	5.2
<b>Work period (years)</b>		
< 10	106	26.1
10–20	158	38.9
> 20	142	35.0
<b>Total</b>	<b>406</b>	<b>100.0</b>

EHV. The test results, which take into account both direct and indirect influences, show a positive and significant influence. This indicates that leadership skills have a direct influence on EHV and organisational performance. Also, EHV have a direct influence on organisational performance. In addition to the direct influence, EHV have an indirect influence on organisational performance, and EHV mediate the relationship between leadership skills and organisational performance.

Table 5 shows that the direct effect of leadership skills on organisational performance is 11.5%, while the indirect effect mediated by EHV is 27.4%. This indicates that the application of EHV in leadership practices strengthens the relationship between leadership skills and organisational performance. Meanwhile, the total effect is 38.9%. It can be concluded that the role of EHV as a mediator is very important because its contribution is greater than the direct effect. This indicates that leaders who are not only technically competent but also who instil EHV in their leadership will be more effective in improving organisational performance. Furthermore, the results of the path analysis, using the method Maximum Likelihood (ML), yielded general results after structural modifications, as presented in Figure 2.

**TABLE 3:** Validity and reliability tests.

Item	r-count	p-value	Cronbach's alpha
<b>Leadership skill</b>			
Adaptability	0.803	0.000	0.872
Agility	0.832	0.000	-
Technology integration	0.843	0.000	-
Empathy	0.784	0.000	-
Inclusion	0.826	0.000	-
<b>Exclusive human value</b>			
Skills	0.834	0.000	0.890
Work enthusiasm	0.799	0.000	-
Planning ability	0.835	0.000	-
Problem-solving	0.604	0.000	-
Intellectual qualities	0.800	0.000	-
Work experience	0.720	0.000	-
Adaptability in learning	0.882	0.000	-
<b>Organisational performance</b>			
Productivity	0.657	0.000	0.836
Profitability	0.478	0.000	-
Service quality	0.693	0.000	-
Timeliness	0.742	0.000	-
Service satisfaction	0.701	0.000	-
Prompt problem-solving	0.631	0.000	-
Responsibility	0.782	0.000	-
Accountability	0.773	0.000	-

**TABLE 4:** Estimate direct and indirect influence hypothesis testing.

Hypothesis	Regression model	Influence	Critical ratio	p-value
H1	Leadership skills → Exclusive human values	0.572	11.785	0.000**
H2	Leadership skills → Organisational performance	0.115	3.637	0.000**
H3	Exclusive human values → Organisational performance	0.479	8.650	0.000**
H4	Leadership skills → Exclusive human values → Organisational performance	0.274	6.964	0.000**

\*\* $p$ -value  $< 0.01$ .

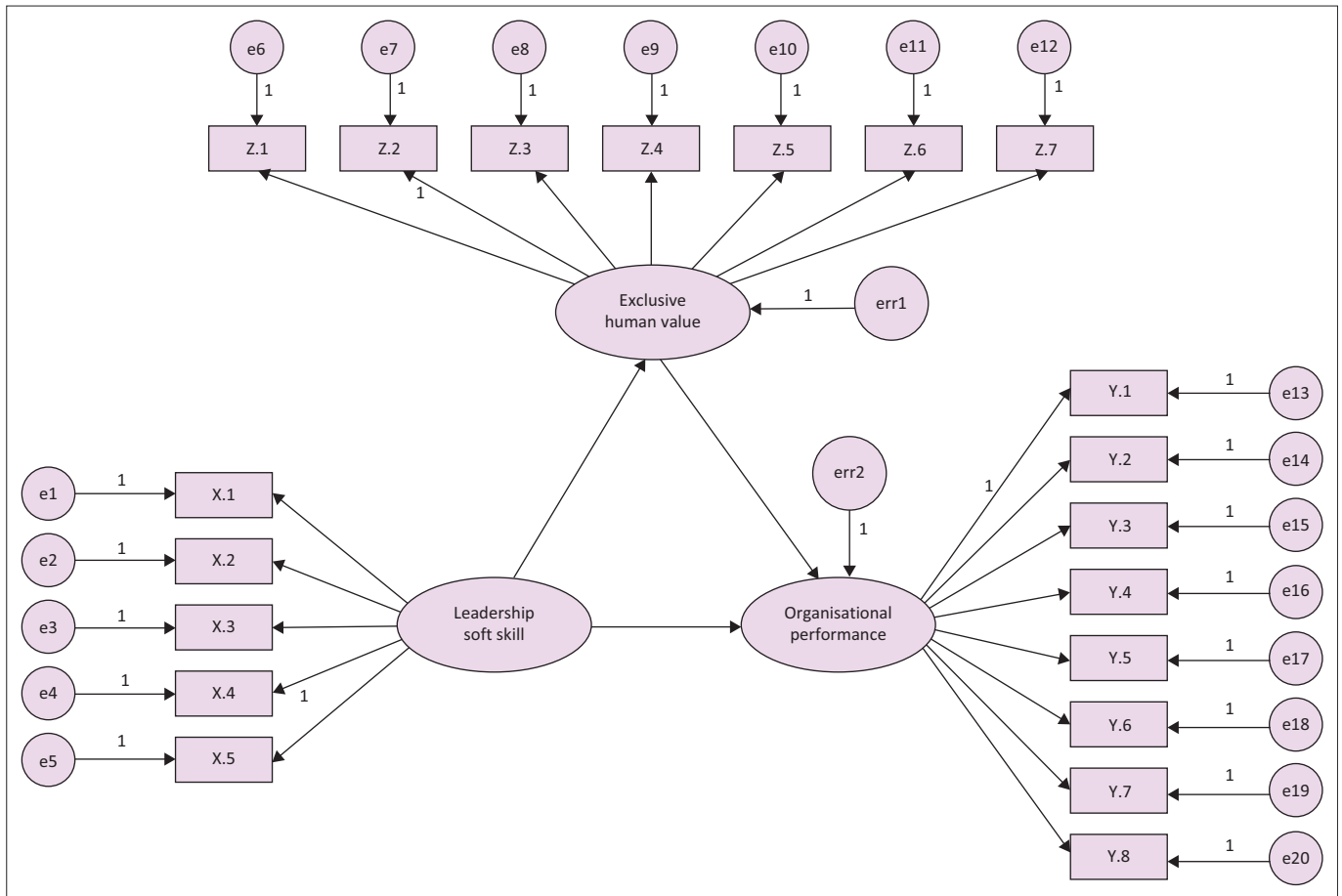


FIGURE 1: Research framework.

TABLE 5: Direct, indirect and total influence.

Regression model	Direct influence	Indirect influence	Total influence
Leadership skills → Exclusive human values	0.115	0.274	0.389
Exclusive human values → Organisational performance			

The structural equation model image is after modification to produce a model feasibility where the chi-square value is 320.911 (not fit), probability is 0.000 (not fit), CMIN/df is 1.981 (good fit), RMSEA is 0.049 (good fit), GFI is 0.927 (good fit), AGFI is 0.905 (good fit), TLI is 0.956 (good fit) and CFI is 0.962 (good fit). The model is considered feasible if 75% of the requirements have been met. In this case, there are eight requirements, and six of them are met; therefore, the model is deemed feasible.

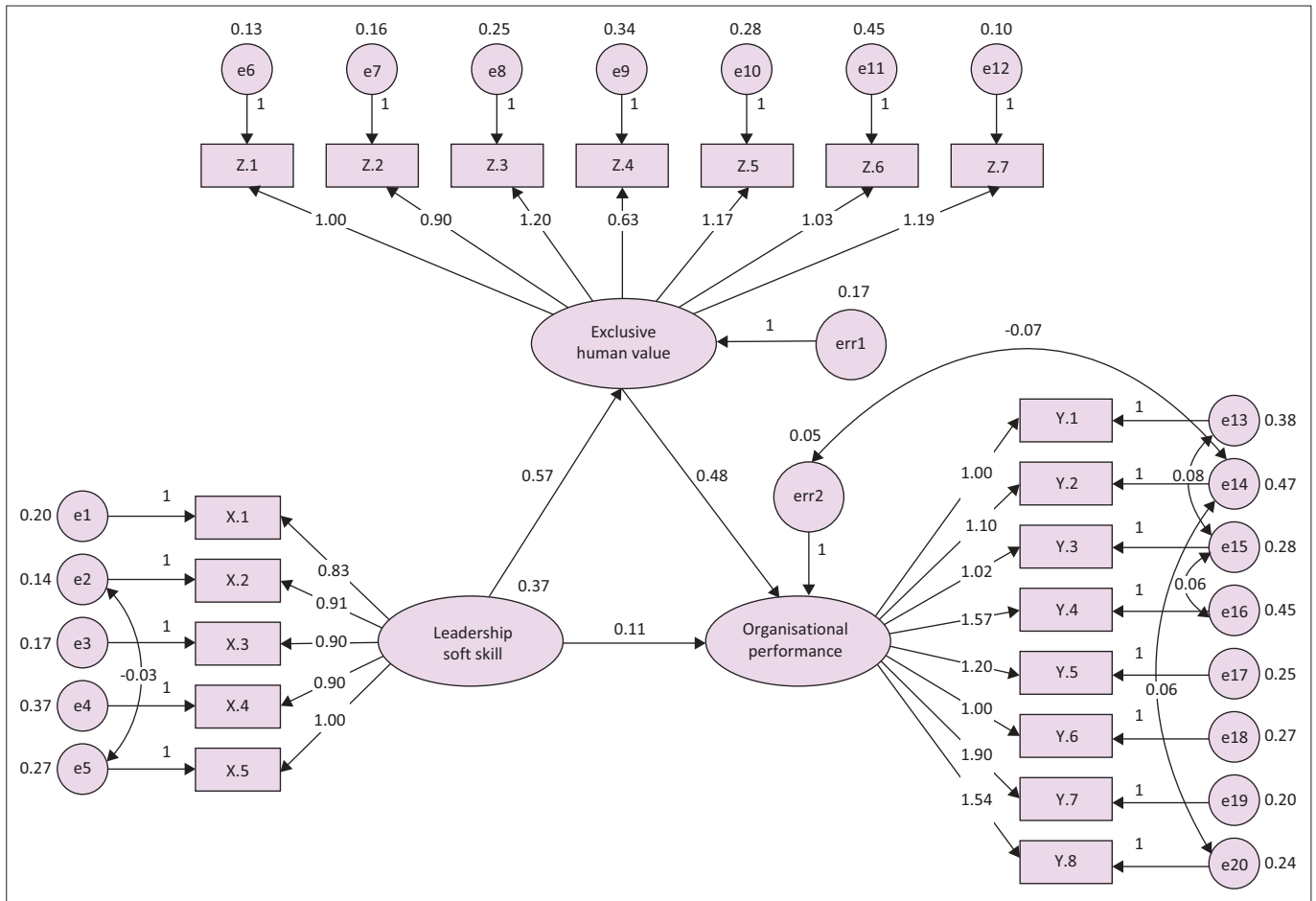
## Discussion

Leadership skills have a positive and significant impact on EHV and organisational performance (Table 4). Leadership skills are a key foundation for moving an organisation towards achieving strategic goals. These skills include communication, decision-making, empathy, strategic thinking and the ability to manage change and conflict (Rehan et al., 2024). Effective leaders inspire, motivate and direct team members to perform optimally, thus creating a productive and innovative work environment. This is also influenced by emotional intelligence. Emotional intelligence plays a crucial role in leadership effectiveness, as leaders

with strong emotional management and empathy are able to understand the values, aspirations and unique potential of team members. This explains how good leadership skills can strengthen EHV: leaders not only lead rationally but also foster a sense of belonging and trust that strengthens team performance.

Exclusive human value in the context of management refers to the unique values that each individual in an organisation possesses, such as creativity, empathy and the ability to build relationships that cannot be easily replaced by technology (Zirar et al., 2023). This value becomes an organisation's competitive advantage because it can encourage innovation, collaboration and adaptation to changes in the business environment (Farida & Setiawan, 2022). According to the resource-based view, an organisation's competitive advantage stems from resources that are rare, valuable and difficult to imitate – including 'exclusive human value'. Competent leaders play a crucial role in building, maintaining and maximising this unique human value. Thus, leadership skills not only directly impact performance but also serve as a strategic mechanism in converting human value into a source of long-term advantage.

Good leadership skills play a crucial role in identifying, developing and maximising EHV within an organisation (Korkmaz et al., 2022). A human-centric leader, for example, will be more sensitive to the unique potential of each team



Note: Chi-square = 320.911; Probability = 0.000; CMIN/df = 1.981; RMSEA = 0.049; GFI = 0.927; AGFI = 0.905; TLI = 0.956; CFI = 0.962.

CMIN, minimum discrepancy; df, degrees of freedom; RMSEA, root mean square error of approximation; GFI, goodness-of-fit index; AGFI, adjusted goodness-of-fit index; TLI, Tucker-Lewis index; CFI, comparative fit index.

FIGURE 2: Structural equation model results.

member and will create an environment that allows them to express their best ideas and contributions. Thus, leadership skills have a positive and significant impact on EHV.

Numerous studies have demonstrated that leadership skills have a direct and significant impact on organisational performance. Leaders who can build a positive work culture, provide clear direction and encourage innovation will increase organisational productivity, efficiency and profitability (López-Cabarcos et al., 2022). In fact, leadership effectiveness can explain up to 70% of the variation in employee engagement (Ghani et al., 2023).

Exclusive human values have a positive and significant impact on organisational performance. When organisations can identify and utilise the unique strengths of each individual, an inclusive, innovative and collaborative work environment is created. This results in increased job satisfaction, loyalty and employee productivity, ultimately improving overall organisational performance (Ranta & Ylinen, 2024).

Leadership skills have a positive and significant influence on both individual human value and organisational performance. Exclusive human values not only act as a direct

factor but also as a mediator between leadership skills and organisational performance. This means that the influence of leadership skills on organisational performance is primarily driven by the ability to develop and maximise EHV. Effective leaders create an environment that supports the development of employees' unique values, which in turn impacts improved organisational performance (Srimulyani et al., 2023).

Several theoretical frameworks support this relationship, such as human capital theory, which emphasises the importance of the unique value of individuals in creating organisational excellence, and transformational leadership theory, which highlights the role of leaders in inspiring and empowering employees (Bakker et al., 2023). Social exchange theory is also relevant, where the trusting relationship between leaders and team members strengthens the individual's exclusive contribution to the organisation.

Practically speaking, organisations need to invest in developing leadership skills through training, coaching and mentoring. Furthermore, it is crucial to create reward and recognition systems that highlight the unique value of each individual. In this way, organisations not only improve performance but also create an inclusive and innovative work culture (Srirahayu et al., 2023).

Various empirical studies and case studies show that organisations with strong leadership and a culture that values the unique value of employees tend to have higher levels of productivity, innovation and employee retention (Ba ar, 2024). Fakhri et al. (2020) in their research concluded that dynamic, active and effective leadership can influence motivation and improve performance. Meanwhile, Schiuma et al. (2024) found that leaders with high competence are needed to trigger and encourage organisational transformation in the context of the digital era. These studies emphasise the importance of synergy between leadership skills and EHV in driving organisational performance.

Overall, leadership skills have a positive and significant impact on EHV and organisational performance, both directly and indirectly through their effect on EHV. Exclusive human value itself is a key factor in improving organisational performance. Therefore, organisations are advised to develop human-centric leadership and management systems that can identify, develop and maximise the unique value of each individual to achieve competitive advantage and optimal performance.

## Conclusion

The results of the research and analysis conducted on 406 respondents, namely, the leaders of Sinergi Gula Nusantara, concluded that leadership skills have a positive and significant influence on EHV and organisational performance. Exclusive human values mediate the influence of leadership skills on organisational performance. This study has two limitations and offers suggestions for further research. Firstly, the research location is remote, making it difficult for researchers to visit and be directly involved in the production process frequently. Secondly, the researchers only considered a few variables, given the vast research location. This study is based on organisational performance, specifically employee performance. Future researchers should examine organisational performance through internal evaluation.

## Acknowledgements

This article and the research behind it would not have been possible without the exceptional support from Politeknik Negeri Banyuwangi, especially Pusat Penelitian dan Pengabdian Kepada Masyarakat (Centre for Research and Community Service). Politeknik Negeri Banyuwangi has provided financial support for this research, especially for Penelitian Berbasis Rencana Induk Penelitian (PBRIP – Research based on Master Plan Research).

## Competing interests

The authors reported that they received funding from Politeknik Negeri Banyuwangi, Penelitian Berbasis Rencana Induk Penelitian (PBRIP – Research based on Master Plan Research), which may influence the research reported in this publication. The authors have disclosed those interests fully and have implemented an approved plan for managing any potential conflicts arising from their involvement.

The terms of these funding arrangements have been reviewed and approved by the affiliated University in accordance with its policy on objectivity in research.

## CRedit authorship contribution

Danang S.W.P.J. Widakdo: Conceptualisation, Methodology, Formal analysis, Writing – original draft, Data curation, Writing – review & editing, Supervision. Riza R. Bachtiar: Conceptualisation, Methodology, Writing – original draft, Project administration, Writing – review & editing. Rudi T. Handoko: Conceptualisation, Investigation, Writing – original draft, Visualisation, Software, Writing – review & editing. Halil Halil: Conceptualisation, Methodology, Formal analysis, Investigation, Writing – original draft, Software, Writing – review & editing. All authors reviewed the article, contributed to the discussion of results, approved the final version for submission and publication, and take responsibility for the integrity of its findings.

## Funding information

This article and the research behind it would not have been possible without the exceptional support from Politeknik Negeri Banyuwangi, especially Pusat Penelitian dan Pengabdian Kepada Masyarakat (Centre for Research and Community Service). Politeknik Negeri Banyuwangi has provided financial support for this research, especially for Penelitian Berbasis Rencana Induk Penelitian (PBRIP – Research based on Master Plan Research).

## Data availability

The data that support the findings of this study are available on request from the corresponding author, Danang S.W.P.J. Widakdo. The data are not publicly available due to reasons of sensitivity.

## Disclaimer

The views and opinions expressed in this article are those of the authors and are the product of professional research. It does not necessarily reflect the official policy or position of any affiliated institution, funder, agency or that of the publisher. The authors are responsible for this article's results, findings and content.

## References

- Abson, E., Schofield, P., & Kennell, J. (2024). Making shared leadership work: The importance of trust in project-based organisations. *International Journal of Project Management*, 42(2), 102575. <https://doi.org/10.1016/j.ijproman.2024.102575>
- Ainscow, M. (2020). Promoting inclusion and equity in education: Lessons from international experiences. *Nordic Journal of Studies in Educational Policy*, 6(1), 7–16. <https://doi.org/10.1080/20020317.2020.1729587>
- Ashfaq, F., Abid, G., & Ilyas, S. (2023). Transformational leadership and life satisfaction: The sequential mediation model of organizational trust and proactive behavior. *Scandinavian Journal of Management*, 39(4), 101298. <https://doi.org/10.1016/j.scaman.2023.101298>
- Bakker, A.B., Hetland, J., Kjellevoid Olsen, O., & Espevik, R. (2023). Daily transformational leadership: A source of inspiration for follower performance? *European Management Journal*, 41(5), 700–708. <https://doi.org/10.1016/j.emj.2022.04.004>

- Başar, D. (2024). The relationship between employee experience and employee engagement, with the moderating role of positive affect, in the finance sector. *Borsa Istanbul Review*, 24(5), 908–915. <https://doi.org/10.1016/j.bir.2024.05.002>
- Cakir, M.S., Wardman, J.K., & Trautrim, A. (2023). Ethical leadership supports safety voice by increasing risk perception and reducing ethical ambiguity: Evidence from the COVID-19 pandemic. *Risk Analysis*, 43(9), 1902–1916. <https://doi.org/10.1111/risa.14053>
- Connelly, M.S., Gilbert, J.A., Zaccaro, S.J., Threlfall, K.V., Marks, M.A., & Mumford, M.D. (2000). Exploring the relationship of leadership skills and knowledge to leader performance. *Leadership Quarterly*, 11(1), 65–86. [https://doi.org/10.1016/S1048-9843\(99\)00043-0](https://doi.org/10.1016/S1048-9843(99)00043-0)
- Coronado-Maldonado, I., & Benítez-Márquez, M.D. (2023). Emotional intelligence, leadership, and work teams: A hybrid literature review. *Heliyon*, 9(10), e20356. <https://doi.org/10.1016/j.heliyon.2023.e20356>
- Czupryna, M., Growiec, K., Kamiński, B., & Oleksy, P. (2024). Schwartz human values and the economic performance. *JASSS*, 27(1), 1–31. <https://doi.org/10.18564/jasss.5023>
- Danaher, J. (2021). Axiological futurism: The systematic study of the future of values. *Futures*, 132(2), 102780. <https://doi.org/10.1016/j.futures.2021.102780>
- Dartey-Baah, K. (2015). Resilient leadership: A transformational–transactional leadership mix. *Journal of Global Responsibility*, 6(1), 99–112. <https://doi.org/10.1108/JGR-07-2014-0026>
- Fakhri, M., Pradana, M., Syarifuddin, S., & Suhendra, Y. (2020). Leadership style and its impact on employee performance at Indonesian National Electricity Company. *The Open Psychology Journal*, 13(1), 321–325. <https://doi.org/10.2174/1874350102013010321>
- Farida, I., & Setiawan, D. (2022). Business strategies and competitive advantage: The role of performance and innovation. *Journal of Open Innovation: Technology, Market, and Complexity*, 8(3), 163. <https://doi.org/10.3390/joitmc8030163>
- Feranita, N.V., Nugraha, A., & Sukoco, S.A. (2020). Effect of transformational and transactional leadership on SMEs in Indonesia. *Problems and Perspectives in Management*, 18(3), 415–425. [https://doi.org/10.21511/ppm.18\(3\).2020.34](https://doi.org/10.21511/ppm.18(3).2020.34)
- Förster, C., & Ducheck, S. (2017). What makes leaders resilient? An exploratory interview study. *German Journal of Human Resource Management*, 31(4), 281–306. <https://doi.org/10.1177/2397002217709400>
- Garrido-Moreno, A., Martín-Rojas, R., & García-Morales, V.J. (2024). The key role of innovation and organizational resilience in improving business performance: A mixed-methods approach. *International Journal of Information Management*, 77(1), 102777. <https://doi.org/10.1016/j.ijinfomgt.2024.102777>
- Gazi, M.A.I., Yusof, M.F., Islam, M.A., Amin, M.B., & Senathirajah, A.R.B.S. (2024). Analyzing the impact of employee job satisfaction on their job behavior in the industrial setting: An analysis from the perspective of job performance. *Journal of Open Innovation: Technology, Market, and Complexity*, 10(4), 100427. <https://doi.org/10.1016/j.joitmc.2024.100427>
- Ghani, B., Hyder, S.I., Yoo, S., & Han, H. (2023). Does employee engagement promote innovation? The facilitators of innovative workplace behavior via mediation and moderation. *Heliyon*, 9(11), e21817. <https://doi.org/10.1016/j.heliyon.2023.e21817>
- Giustiniano, L., Cunha, M.P.E., Simpson, A.V., Rego, A., & Clegg, S. (2020). Resilient leadership as paradox work: Notes from COVID-19. *Management and Organization Review*, 16(5), 971–975. <https://doi.org/10.1017/mor.2020.57>
- Grafton, J., Lillis, A.M., & Widener, S.K. (2010). The role of performance measurement and evaluation in building organizational capabilities and performance. *Accounting, Organizations and Society*, 35(7), 689–706. <https://doi.org/10.1016/j.aos.2010.07.004>
- Hassan, S., Kaur, P., Muchiri, M., Ogbonnaya, C., & Dhir, A. (2023). Unethical leadership: Review, synthesis and directions for future research. *Journal of Business Ethics*, 183(2), 475–503. <https://doi.org/10.1007/s10551-022-05081-6>
- Hensellek, S., Kleine-Stegemann, L., & Kollmann, T. (2023). Entrepreneurial leadership, strategic flexibility, and venture performance: Does founders' span of control matter? *Journal of Business Research*, 157(1), 113544. <https://doi.org/10.1016/j.jbusres.2022.113544>
- Hussain, T., Edgeman, R., & Najem, M. (2023). Exploring the intellectual structure of research in organizational resilience through a bibliometric approach. *Sustainability*, 15(17), 12980. <https://doi.org/10.3390/su151712980>
- Iddrisu, I. (2025). Understanding the nexus between organizational culture and trust: The mediating roles of communication, leadership, and employee relationships. *Sustainable Futures*, 9(1), 100555. <https://doi.org/10.1016/j.sfr.2025.100555>
- Kassa, B.Y., & Worku, E.K. (2025). The impact of artificial intelligence on organizational performance: The mediating role of employee productivity. *Journal of Open Innovation: Technology, Market, and Complexity*, 11(1), 100474. <https://doi.org/10.1016/j.joitmc.2025.100474>
- Kline, R.B. (2012). *Principles and practice of structural equation modelling*. D.A. Kenny & T.D. Little (Eds.), 4th ed. The Guilford Press.
- Korhonen, T., Jääskeläinen, A., Laine, T., & Saukkonen, N. (2023). How performance measurement can support achieving success in project-based operations. *International Journal of Project Management*, 41(1), 102429. <https://doi.org/10.1016/j.ijproman.2022.11.002>
- Korkmaz, A.V., Van Engen, M.L., Knappert, L., & Schalk, R. (2022). About and beyond leading uniqueness and belongingness: A systematic review of inclusive leadership research. *Human Resource Management Review*, 32(4), 100894. <https://doi.org/10.1016/j.hrmmr.2022.100894>
- Liden, R.C., Wang, X., & Wang, Y. (2025). The evolution of leadership: Past insights, present trends, and future directions. *Journal of Business Research*, 186(4), 115036. <https://doi.org/10.1016/j.jbusres.2024.115036>
- Liyanagamage, N., Fernando, M., & Gibbons, B. (2023). The emotional Machiavellian: Interactions between leaders and employees. *Journal of Business Ethics*, 186(3), 657–673. <https://doi.org/10.1007/s10551-022-05233-8>
- López-Cabarcos, M.Á., Vázquez-Rodríguez, P., & Quiñó-Piñeiro, L.M. (2022). An approach to employees' job performance through work environmental variables and leadership behaviours. *Journal of Business Research*, 140, 361–369. <https://doi.org/10.1016/j.jbusres.2021.11.006>
- Mumford, M.D., Zaccaro, S.J., Connelly, M.S., & Marks, M.A. (2000). Leadership skills: Conclusions and future directions. *Leadership Quarterly*, 11(1), 155–170. [https://doi.org/10.1016/S1048-9843\(99\)00041-7](https://doi.org/10.1016/S1048-9843(99)00041-7)
- Parks, L., & Guay, R.P. (2009). Personality, values, and motivation. *Personality and Individual Differences*, 47(7), 675–684. <https://doi.org/10.1016/j.paid.2009.06.002>
- Pavez, I., Gómez, H., Laulié, L., & González, V.A. (2021). Project team resilience: The effect of group potency and interpersonal trust. *International Journal of Project Management*, 39(6), 697–708. <https://doi.org/10.1016/j.ijproman.2021.06.004>
- Piwowar-Sulej, K., & Iqbal, Q. (2023). Leadership styles and sustainable performance: A systematic literature review. *Journal of Cleaner Production*, 382(4), 134600. <https://doi.org/10.1016/j.jclepro.2022.134600>
- Poláková, M., Suleimanová, J.H., Madzik, P., Copuș, L., Molnárová, I., & Polednová, J. (2023). Soft skills and their importance in the labour market under the conditions of Industry 5.0. *Heliyon*, 9(3), e18670. <https://doi.org/10.1016/j.heliyon.2023.e18670>
- Popova, V., & Sharpanskykh, A. (2010). Modeling organizational performance indicators. *Information Systems*, 35(4), 505–527. <https://doi.org/10.1016/j.is.2009.12.001>
- Qalati, S.A., Zafar, Z., Fan, M., Sánchez Limón, M.L., & Khaskheli, M.B. (2022). Employee performance under transformational leadership and organizational citizenship behavior: A mediated model. *Heliyon*, 8(4), e11374. <https://doi.org/10.1016/j.heliyon.2022.e11374>
- Ranta, M., & Ylinen, M. (2024). Employee benefits and company performance: Evidence from a high-dimensional machine learning model. *Management Accounting Research*, 64(1), 100876. <https://doi.org/10.1016/j.mar.2023.100876>
- Rehan, A., Thorpe, D., & Heravi, A. (2024). A framework for leadership practices and communication in the context of the construction sector. *Project Leadership and Society*, 5(2), 100142. <https://doi.org/10.1016/j.plas.2024.100142>
- Richard, P.J., Devinney, T.M., Yip, G.S., & Johnson, G. (2009). Measuring organizational performance: Towards methodological best practice. *Journal of Management*, 35(3), 718–804. <https://doi.org/10.1177/0149206308330560>
- Rider, E.A., Kurtz, S., Slade, D., Longmaid, H.E., Ho, M.J., Pun, J.K.H., Eggins, S., & Branch, W.T. (2014). The international charter for human values in healthcare: An interprofessional global collaboration to enhance values and communication in healthcare. *Patient Education and Counselling*, 96(3), 273–280. <https://doi.org/10.1016/j.pec.2014.06.017>
- Schiama, G., Santarsiero, F., Carlucci, D., & Jarrar, Y. (2024). Transformative leadership competencies for organizational digital transformation. *Business Horizons*, 67(4), 425–437. <https://doi.org/10.1016/j.bushor.2024.04.004>
- Siddiquei, A.N., Fisher, C.D., & Hrivnak, G.A. (2022). Temporal leadership, team processes, and project team task performance. *International Journal of Project Management*, 40(7), 715–724. <https://doi.org/10.1016/j.ijproman.2022.08.005>
- Slavković, M., & Babić, V. (2013). Knowledge management, innovativeness, and organizational performance: Evidence from Serbia. *Economic Annals*, 58(199), 85–108. <https://doi.org/10.2298/EKA1399085S>
- Srimulyani, V.A., Rustiyarningsih, S., Farida, F.A., & Hermanto, Y.B. (2023). Mediation of “AKHLAK” corporate culture and affective commitment on the effect of inclusive leadership on employee performance. *Sustainable Futures*, 6(2), 100138. <https://doi.org/10.1016/j.sfr.2023.100138>
- Srirahayu, D.P., Ekowati, D., & Sridadi, A.R. (2023). Innovative work behaviour in public organizations: A systematic literature review. *Heliyon*, 9(2), e13557. <https://doi.org/10.1016/j.heliyon.2023.e13557>
- Subramanian, S.N., & Banihashemi, S. (2024). Towards modern leadership styles in the context of the engineering sector. *Project Leadership and Society*, 5(2), 100133. <https://doi.org/10.1016/j.plas.2024.100133>
- Widakdo, D.S.W.P.J. (2022). The effect of human value and work commitment on Bulog employees' performance with the mediation of resilient leadership in East Java, Indonesia. *International Conference on Applied Science and Technology on Social Science*, 647, 703–711.
- Williams, L.J., & O'Boyle, E.H. (2008). Measurement models for linking latent variables and indicators: A review of human resource management research using parcels. *Human Resource Management Review*, 18(4), 233–242. <https://doi.org/10.1016/j.hrmmr.2008.07.002>
- Yakunina, R.P., & Bychkov, G.A. (2015). Correlation analysis of the components of the human development index across countries. *Procedia Economics and Finance*, 24, 766–771. [https://doi.org/10.1016/s2212-5671\(15\)00692-9](https://doi.org/10.1016/s2212-5671(15)00692-9)
- Yazici, A.M., & Öztirak, M. (2023). The mediator role of organizational culture in the relationship between charismatic leadership and corporate reputation. *Organizacija*, 56(3), 247–264. <https://doi.org/10.2478/orga-2023-0017>
- Zada, M., Khan, J., Saeed, I., Zada, S., & Yong Jun, Z. (2023). Linking public leadership with project management effectiveness: Mediating role of goal clarity and moderating role of top management support. *Heliyon*, 9(5), e15543. <https://doi.org/10.1016/j.heliyon.2023.e15543>
- Zirar, A., Imran, S., & Islam, N. (2023). Worker and workplace artificial intelligence (AI) coexistence: Emerging themes and research agenda. *Technovation*, 124(1), 102747. <https://doi.org/10.1016/j.technovation.2023.102747>