

The Impact of Digital Leadership on Organizational Performance in Iraqi Private Universities and Colleges: The Mediating Role of Digital Transformation

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Abstract

Purpose: With the Iraqi private colleges and universities striving for sustainability and remain competitive in a volatile educational landscape, the issue of leadership in the process of technological change has become critical. The research is based on an empirical examination of the impact of Digital Leadership on Organizational Performance in the context of digital transformation in Iraq, using a structured questionnaire to gather data, including 103 academic administrators and senior faculty members. **Findings:** The results indicate that Digital Leadership positively directly affects Organizational Performance and a strong influence on Digital Transformation. Moreover, Digital Transformation has a significant positive impact on Organizational Performance. More importantly, the mediation analysis showed that although the direct impact of digital leadership on the institution is positive, a significant part of the value is only achieved when it is implemented through successful digital transformation processes (digital leaders). Such leaders should be the most active agents of the re-engineering of institutional processes, turning the leadership vision into the actual digital ecosystems to realize the full potential of organizations

Keywords: Digital Leadership, Digital Transformation, Organizational Performance, Private Higher Education, PLS-SEM

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أثر القيادة الرقمية على الأداء التنظيمي في الجامعات والكليات الأهلية العراقية: الدور الوسيط للتحويل الرقمي
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المستخلص

في ظل سعي الكليات والجامعات الأهلية العراقية جاهدة لتحقيق الاستدامة والحفاظ على قدرتها التنافسية وسط مشهد تعليمي يتسم بالتقلب، أصبحت مسألة القيادة في عملية التغيير التكنولوجي أمراً حاسماً. يستند هذا البحث إلى دراسة تجريبية لفحص أثر القيادة الرقمية على الأداء التنظيمي في سياق التحويل الرقمي في العراق، وذلك باستخدام استبانة منظمة لجمع البيانات من عينة شملت 103 من القيادات الأكاديمية وكبار أعضاء هيئة التدريس. النتائج: تشير النتائج إلى أن القيادة الرقمية تؤثر إيجابياً وبشكل مباشر على الأداء التنظيمي، كما تمتلك تأثيراً قوياً على التحويل الرقمي. علاوة على ذلك، أظهر التحويل الرقمي أثراً إيجابياً ذا دلالة معنوية على الأداء التنظيمي. والأهم من ذلك، كشف تحليل الوساطة أنه على الرغم من إيجابية الأثر المباشر للقيادة الرقمية على المؤسسة، إلا أن جزءاً كبيراً من القيمة لا يتحقق إلا عند تنفيذه عبر عمليات تحول رقمي ناجحة. وعليه، ينبغي أن يكون القادة الرقميون هم العناصر الأكثر فاعلية في إعادة هندسة العمليات المؤسسية، محولين الرؤية القيادية إلى منظومات رقمية فعلية لتحقيق الإمكانيات الكاملة للمنظمات.

الكلمات المفتاحية: القيادة الرقمية، التحويل الرقمي، الأداء التنظيمي، التعليم العالي، نمذجة المعادلات الهيكلية (PLS-SEM)

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معلومات البحث

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Introduction

The current state of the world of higher education is currently experiencing a paradigm shifting away traditional pedagogical models into what is increasingly commonly referred to as Smart University ecosystems. In the framework of the Fourth Industrial Revolution, higher education institutions are forced to operate in a dynamic and highly digitized environment. The study states that in these digitalized contexts, organizations are no longer guaranteed to survive and prosper based on the ownership of assets, but rather on the responsiveness of their leadership [1]. This has resulted in Digital Leadership becoming a strategic imperative. Digital leadership is not a stability-oriented and hierarchical system as traditional leadership, but a synthesis of digital competence and visionary thinking to use technology to make value [2]. This is a critical shift to the Iraqi private colleges. These are institutions that are mixed in nature i.e. they are academic centers and at the same time must be financially viable and competitive in the market. As the Iraqi Ministry of Higher Education pressures towards e-governance and digital quality assurance, the pressure on adoption of digital tools in the private colleges is enormous. Nonetheless, the simple purchase of technology is not success, but it needs a structural reorganization of operations, which is known as Digital Transformation [3].

In an effort to synchronize with the vision of a modernized and efficient sector of higher education, the Iraqi “Ministry of Higher Education and Scientific Research” (MOHESR) has recently stepped up its digital transformation agenda, requiring a total shift to electronic governance [4]. This strategic order imposes the implementation of digital systems in all the publicly and privately owned universities, with the most significant

implementation being the “Student Information System” (SIS) to simplify the administration of the academic institution. Moreover, the Higher Education Platform in Iraq (HEPIQ) is a mandatory digital platform that is presented by the Ministry as a mandatory system of student and faculty work that indicates a breakthrough change of paper-based work processes and the adoption of a single, data-driven educational system. Despite the substantial investment in “Learning Management Systems” (LMS) and IT infrastructure in Iraqi private colleges, a conspicuous Digital Paradox is evident. A lot of institutions have sophisticated tools but do not experience a similar increase in Organizational Performance (financial efficiency, student satisfaction, and administrative speed) [5]. The implementation gap is the root cause of the problem. Technology is traditionally seen as an aid and not a strategy. According to [6], such failure is commonly caused by the absence of Digital Leadership, the leaders that can become the nexus between technological potential and organizational reality. The issue that this study aims to solve is that in the absence of digitally competent leadership that can spearhead the comprehensive cultural and process change, digital investments are turned into sunk costs instead of performance boosters. The degree to which Iraqi academic leaders have these competencies, as well as how these competencies are applied to performance, is little studied.

Although the literature on digital leadership is increasing, there are three important gaps in the literature that this study aims to address. To begin with, there is a contextual gap. The majority of the recent studies have targeted the public sector in Indonesia [2], mining firms in Vietnam [1], and manufacturing, services, finance, IT, and others

[3]. Empirical studies that specifically focus on Private Higher Education in Middle East and in Iraq in particular, are limited and the socio-economic issues present a special environment where leadership is concerned. Second, there is a theoretical gap between the direct relationship between leadership and outcomes. Numerous past studies have tried to show the direct relationship between Digital Leadership and Organizational Performance, but the findings have been mixed. [7] discovered that digital leadership does not directly significantly influence financial performance in certain situations. This implies that there is a missing mechanism. This study suggests that leadership is a distal variable, which cannot be used to enhance performance unless it triggers a proximal one.

Digital Transformation is not a meaningless addition to the list of mediators, but the theoretical foundation of the presented work. A Dean or President can be great at digital vision (Digital Leadership), but this vision does not make the costs lower or students come. Only when such a vision is translated into real digitized processes, e.g. paperless registration and data-driven decision-making, performance is enhanced. [8] support this argument by discovering that in developing economies, the leadership-performance relationship is completely mediated by digital transformation. In the same manner, [9] believe that the operational pathway to sustainable performance is digitalization. Thus, this research hypothesizes that Digital Transformation is the obligatory transition; otherwise, Digital Leadership is just the potential energy that never turns into the actual energy of Organizational Performance. Therefore, the main objective of the proposed research is to empirically investigate how the digital leadership affects the organizational

performance in the context of Iraqi privatized colleges by evaluating the mediating effect of digital transformation.

Literature Review

Digital Leadership

Digital leadership is a shift in the paradigm of conventional management theories. Not a single skill of using technology, but a tactical set of leadership behaviors and digital competence that is aimed at maneuvering the Volatile, Uncertain, Complex, and Ambiguous (VUCA) business environment. digital leadership is a key to organizational excellence, as it is a catalyst to utilize intellectual capital: human, structural, and relational to produce high-quality results [2,10]. Digital leaders are agile and can build a culture of experimentation unlike the traditional leaders who are concerned about stability. [7] suggest that digital leadership is multidimensional, and it includes such capabilities as digital vision, predictability, and experience. The digital leader has to be forward-looking to predict technological upheavals and have the strategic ability to reallocate the resources of the organization as required. [3] build on this point by noting the so-called human-centric nature of digital leadership. In their argument, they state that effective digital leaders are those who are able to reduce employee resistance and raise organizational commitment by establishing a psychological environment where innovation is safe. According to this perspective, the leader is not simply a technocrat but a change agent who helps to bridge the gap between the technical possibilities and the human implementation.

In terms of operations, [1] and [11] define digital leadership as a functional capability that directly streamlines the distribution of resources and

minimizes the waste of operations. Digital leaders in the industrial and competitive arena are the ones who promote the application of data analytics in real-time decision-making. Nevertheless, [6] believe that a more comprehensive nexus approach should be considered, in which digital leadership is viewed as the catalyst to a comprehensive ecosystem that combines digital innovation with financial sustainability, and that the main task of the leader is to mobilize resources to survive in the long term and not only to act efficiently in the short term.

Digital Transformation:

It is paramount to differentiate between Digital Transformation and mere Digitization. Although digitization is the process of converting analog information into digital forms, digital transformation is a radical reform of business model and culture of an organization. [8] frame the concept of digital transformation in developing economies as a wholesale transformation of the systems of value delivery by the governments and businesses. It entails the incorporation of digital technologies in every aspect of a business, which radically transforms the way in which value is created to customers (or students, in the case of higher education). affirms that a transition to a digital world is the gateway to sustainable operation and a so-called Circular Economy [9]. Organizations can attain a degree of transparency and efficiency that has not been achievable before through the automation of manual workflows and integration of disparate systems (e.g., connecting HR, Finance and Student Affairs) [12,13]. point out that it is a highly disruptive process; it needs a strategic agreement throughout the organization [3]. The purchase of technology is a high cost and not an asset without a change of the mindset,

which is no longer departments but a digital network [14,15].

Considering the case of the private sector, maintain that the most important tool of the firm potential unlocking is digital transformation [7]. They indicate that good leaders do not make firms perform better, but it is the leaders who effectively implement the process of change that helps them to perform better. This is why digital transformation is the engine of operations that transforms the vision of the leadership into actual market agility and responsiveness to the customer.

Organizational Performance

The digital era is a composite construct in terms of organization performance. Financial ratios were traditionally used to measure it. Nevertheless, the recent literature is more inclusive. [6] are concentrated on Sustainable Financial Performance, and the authors state that the capability to remain profitable in the environment of the dynamism of the environment is part of the true performance in the digital environment. In the same spirit, [1] and [16] associate performance with operational efficiency, which is the capacity of the organization to reduce waste and increase the speed of output with the use of digital tools. Sustainability metrics are also a modern concept of performance. the notion of the Sustainable Supply Chain Performance, which is very applicable to the service industries such as education [17]. According to them, performance is not only about profit, but also the responsiveness of the organization to environmental and social pressure (e.g., paper reduction, green campus). This is supported by [9], who prove that digitalized organizations are better in terms of performance by balancing economic objectives with environmental sustainability.

Lastly, [2] offers a very important insight on service-based organizations, but they make a connection between performance and Intellectual Capital. In this perspective, the quality of human capital, structural capital and relational capital reflect the organizational performance. Thus, the successful combination of financial health, operational agility, and academic/service excellence are the high organizational performance in this study.

Development of Hypotheses

Digital Leadership and Organizational Performance

Although the traditional leadership theories focus on hierarchical control, the critical discourse of current management states that Digital Leadership is a unique kind of Dynamic Capability that is needed to survive in the unstable markets. dispute the idea that performance is dependent on technology and suggest that the ability of the leader to reorganize the resources is what counts [1]. When it comes to Iraqi private colleges, the resources (technology/funds) tend to be similar among the competitors, and thus the differentiator is the leadership [18]. This is supported by [2] who opine that digital leadership is a catalyst of "Intellectual Capital" meaning that leaders with digital vision do not simply purchase technology but rather, they boost the human capital and structural capital of the organization resulting in high organizational excellence. In this way, the digital leadership is not an auxiliary role, but an active factor in the survival and prosperity of an institution.

In line with this view, various empirical studies have established that there is a positive relationship between digital leadership and performance outcomes. [1] carried out a research

among industrial companies and discovered that digital leadership has a significant positive impact on the efficiency of operations and optimization of resources. Likewise, [2] presented the evidence of the public sector, and it can be seen that digital leadership is one of the key drivers of organizational excellence. In addition, [17] have indicated that digital leadership capacities are necessary to attain a sustainable performance within a complex supply chain, which supports the argument that this type of leadership is universally significant to organizational performance. Several other previous studies indicated similar results [19,20].

H1: Organizational Performance is positively influenced by Digital Leadership.

Digital Leadership and Digital Transformation

A critical review of Digital Transformation (DT) shows that it is not about software but change management. The key point that make in this context is that the key obstacle in transformation is the employee resistance and organizational inertia [3]. Thus, Digital Leadership is the significant antecedent as it is the psychological safety and the strategic plan that is required to break this inertia. According to [6], this is a ligament, and transformation cannot be self-driven, and it needs a leader to be an initiator to mobilize the resources. The lack of this leadership spark means that digital initiatives are a disjointed project and not a complete change.

In line with this theoretical argument, a number of past researches have pointed out that Digital Leadership is a powerful influence on Digital Transformation. leadership skills as vision and predictability are the main factors that initiate the process of digital transformation [7]. Likewise, [8] presented empirical data which was conducted in

the developing economies and showed that digital leadership is a strong predictor of the level of digital transformation implementation. Such results are also supported by [3], who have defined strong digital leadership as the key to the organizational commitment necessary to implement the complex digital transformation strategies.

H 2: Digital Leadership positively affects Digital Transformation significantly.

Digital Transformation and Organizational Performance

More importantly, Digital Transformation must be considered as the operational driver of performance. base their argument on the sustainability aspect that digitalization is the most efficient way to consume the resources [9], which directly lowers the costs and increases efficiency. This in the private education sector means automation of the administration processes that lead to reduction in overheads and enhanced services to the students. This is strengthened by [7], who discovered that companies that effectively integrate digital technologies in their core business models have greater financial returns. The point here is that performance is the result of efficient, digitized processes, and transformation, the direct predictor of success.

There is strong empirical evidence that Digital Transformation leads to better performance. [9] have shown that one of the major methods to sustainable performance is through digitalization especially in terms of cost reduction and efficiency. Moreover, [6] discovered that sustainable financial outcomes are directly connected with digital innovation and transformation, which implies that organizations that digitize successfully have improved

performance outcomes. [7] also support this idea by stating that the successful application of the digital transformation strategies results in the practical changes in the financial and market performance of a firm.

H3: Digital Transformation positively influences Organizational Performance.

Mediating Effect of Digital Transformation

This is the main critical point of the current study. Both [8] and [7] reveal a subtle truth Digital Leadership in itself is not usually effective enough to have a direct impact on improving performance. Leadership is a distant factor - it is potential energy. Digital Transformation is the proximal (immediate) factor- it is kinetic energy. The deduction made is critical in that a vision of a Dean (Leadership) does not provide any financial or operational value unless it is transformed into tangible digital systems (Transformation). Thus, Digital Transformation is the obligatory mediator which transforms the potential of leadership into the kinetic performance reality. This mediation process has been clearly confirmed by recent research. The study by [8] discovered that digital transformation is a complete mediator of the relationship between digital leadership and organizational performance in the public sector, which means that leadership influences performance only through transformation. [7] also found out that the influence of digital leadership on financial performance is indirect, with the successful execution of digital systems playing an important role in it. Moreover, Mollah et al. [6] explained the link between these variables and found that the digital transformation is the necessary channel by which the vision of leadership is transformed into sustainable financial outcomes.

H4: Digital Transformation mediates the association amid Digital Leadership and Organizational Performance.

In our literature review we present theoretical arguments and put forth empirical evidence which is used to develop the framework of this study which we have depicted in Figure 1 below. We put

forward that Digital Leadership (Independent Variable) is the primary driver of Organizational Performance (Dependent Variable). Also, we present that this relationship isn't a direct one but is very much moderated by Digital Transformation (Mediating Variable) which in turn shows how leadership vision is turned into institutional success.

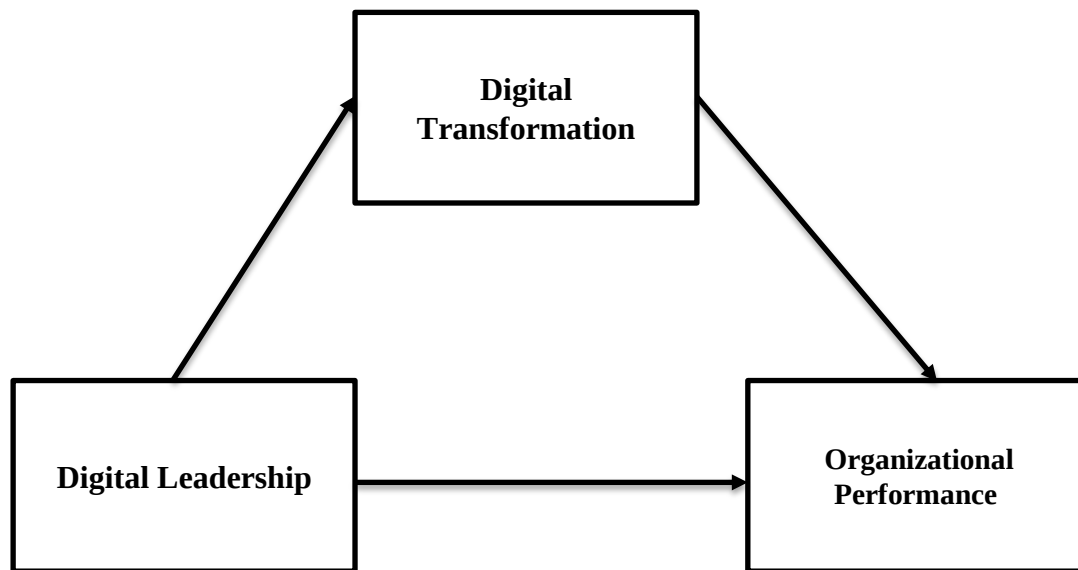


Figure (1): Proposed Conceptual Model

Research Methodolog

Research Design

To empirically test the proposed conceptual model, this study used a quantitative, descriptive-analytical research design based on the positivist paradigm. This method is chosen because it is the most suitable way to measure the causal relationships among Digital Leadership, Digital Transformation, and Organizational Performance. The research uses cross-sectional survey methodology, which involves the collection of data at one point in time to have an idea of the present scenario of digital adoption among the targeted population. This design allows testing hypotheses statistically and generalizing the results to the

wider context of the Iraqi sector of the private higher education.

Population and Sampling Strategy

The target population of this study is the Private Higher Education universities in Iraq, and the individual academic administrator or faculty member is the unit of analysis. The survey focused on the Key Informants that have an overall idea of the strategic and operational activity of the institution. These include Deans, Associate Deans, Heads of Departments and the senior faculty members who are on quality assurance and accreditation committees.

A stratified random sampling technique is used. The stratification of the population depends on the

college specialization to make sure that the sample is representative of the academic landscape.

According to the recommendations [21] on Structural Equation Modeling (SEM), the smallest sample size is ten times the number of structural paths in the model. We used a sample size of 300 respondents to achieve high statistical power and to consider the possibility of non-response, the valid questionnaires were 103.

Research Measurements

The structured, self-administered questionnaire was used as a means of data collection. Multi-item scales were used to operate all constructs based on recent studies (2023- 2025) to ensure the content validity. The answers were based on a “5-point Likert scale with 1 (Strongly Disagree) to 5 (Strongly Agree)” Table 1 illustrated the number of items for each Variable and the sources.

Table (1): Summary of Measurement Scales

Variable	No. of Items	Primary Source of Adaptation
Digital Leadership	6	[2,3]
Digital Transformation	5	[3,6]
Organizational Performance	6	[2]

Data Analysis Strategy

The data obtained analyzed with “Partial Least Squares Structural Equation Modeling” (PLS-SEM) through SmartPLS 4.0.

The main strategic rationale behind the choice of PLS-SEM as the main tool of analysis is two ways:

1. Prediction Focus: The most desirable approach in case the research is to predict a major target construct (Organizational Performance) and determine driver constructs [21].
2. Mediation Analysis: It provides better features of managing complex mediation models, where both direct and indirect effects can be calculated simultaneously, which is the focus of testing

Hypothesis 4 (The Mediating Role of Digital Transformation).

Results

Measurement Model

The measurement model has been evaluated in terms of reliability and validity according to the recommendations [21]. As shown in Table 2, The reliability of the individual items was tested by looking at the outer loading of the indicators. [21] recommend that the outer loadings must preferably be above 0.708. All the indicators of Digital Leadership (0.751 -0.845), Digital Transformation (0.770 -0.892), and Organizational Performance (0.783 -0.877) excepting OP5 showed low loading and removed , as shown in Table (2) and Figure (2), had a high loading value far beyond the recommended cutoff. This has validated the reliability of the measurement items and their sufficient to capture the variance of their constructs. Table 2 indicates that the Cronbachs Alpha and Composite Reliability (CR) of all constructs were above the 0.70 mark with a range of 0.885 to 0.910, which means high internal

consistency. Convergent validity was determined by the Average Variance Extracted (AVE) of all

the constructs exceeding the 0.50 and the values between 0.674 and 0.737.

Table (2): Construct Reliability and Validity

Construct	items	Factor Loading	Cronbach's Alpha	CR	AVE
Digital leadership	DL1	0.843	0.903	0.903	0.674
	DL2	0.838			
	DL3	0.823			
	DL4	0.823			
	DL5	0.845			
	DL6	0.751			
Digital Transformation	DT1	0.770	0.910	0.910	0.737
	DT2	0.887			
	DT3	0.868			
	DT4	0.892			
	DT5	0.870			
Organizational Performance	OP1	0.798	0.885	0.893	0.685
	OP2	0.877			
	OP3	0.802			
	OP4	0.783			
	OP6	0.872			

Both Fornell-Larcker and Heterotrait-Monotrait (HTMT) ratio were used to confirm discriminant validity. The AVE square root of each of the constructs as shown in Table 3 was higher than the

correlation of the construct with any other construct [22]. Moreover, the entire range of HTMT values as shown in Table 4 was much lower than the strict value of 0.85 [23].

Table (3): Fornell-Larcker criterion

	Digital _Transformation	Digital leadership	Organizational Performance
Digital _Transformation	0.859		
Digital leadership	0.529	0.821	
Organizational Performance	0.683	0.564	0.827

Table (4): HTMT

	Digital _Transformation	Digital leadership	Organizational Performance
Digital _Transformation			

Digital leadership	0.580		
Organizational Performance	0.751	0.631	

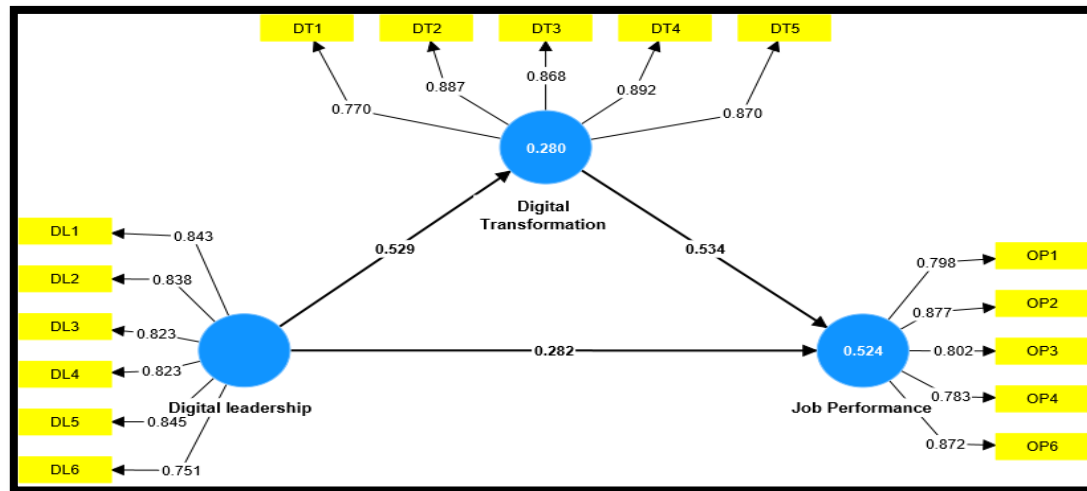


Figure (2): Measurement Model

Structural Model Evaluation

The evaluation of the structural model was initiated through the evaluation of the collinearity problems among the predictor variables. The Variance Inflation Factor (VIF) of each inner model construct was analyzed to make sure that they were less than the recommended threshold of 3.0 (Hair et al., 2019). The analysis showed that both Digital Leadership and Digital Transformation VIF were 1.389, which means that the multicollinearity was not a problem in the present research. After this, the explanatory power of the model was evaluated based on the coefficient of determination (R^2). The findings as illustrated in figure 3 revealed that the model accounts for significant variance in the dependent variables. In particular, the model explained 28.0% of the variance in Digital Transformation and 52.4% of the variance in organizational performance ($R^2 = 0.280$ and $R^2 = 0.524$, respectively). This implies that the selected predictors (Digital Leadership and Digital Transformation) have a moderate-strong predictive

power in explaining the outcomes of organizational performance.

The effect size F^2 was obtained in each path. Digital Leadership had a significant effect size on Digital Transformation ($F^2 = 0.389$) which supports its importance as a driving force of change. Digital Transformation had a large effect size in predicting organizational performance ($F^2 = 0.431$), but Digital Leadership had a small-to-moderate effect size ($F^2 = 0.120$). This difference points to the fact that leadership is significant, but the very process of change has a deeper direct influence on the performance indicators.

Lastly, a bootstrapping procedure was used to test the proposed hypotheses with 5,000 subsamples. The findings were empirical support to all direct and indirect relationships as shown in Table 5 and Figure 3. The first hypothesis was supported, and Digital Leadership plays a significant positive direct role in organizational performance was confirmed ($\beta 0.282$, $t = 4.717 > 1.96$, $p < 0.05$). It also supported Hypothesis 2, which demonstrates that Digital Leadership is a significant predictor of

Digital Transformation ($\beta = 0.529$, $t = 10.037 > 1.96$, $p < 0.05$) and thus the strongest predictor in the model. Hypothesis 3 was supportive of the fact that Digital Transformation has a strong positive effect on Organizational Performance ($\beta = 0.534$, $t = 9.056 > 1.96$, $p < 0.05$).

The mediation analysis of Hypothesis 4 showed in Table 6 that there was a statistically significant

complementary partial mediation effect of the variables in the study (indirect = 0.283, $t = 6.594$, $p < 0.001$). This proves that Digital Transformation is an essential process, which translates the strategic vision of Digital Leadership into tangible organizational performance gains.

Table (5): Direct Hypothesis Results

Path	Original sample	Standard deviation	T statistics	P values	Result
Digital leadership -> Organizational Performance	0.282	0.060	4.717	0.000	Supported
Digital leadership -> Digital _Transformation	0.529	0.053	10.037	0.000	Supported
Digital _Transformation -> Organizational Performance	0.534	0.059	9.056	0.000	Supported

Table (6): Indirect Hypothesis Result

Path	Original sample	Standard deviation	T statistics	P values	Result
Digital leadership -> Digital _Transformation -> Organizational Performance	0.283	0.043	6.594	0.000	Supported

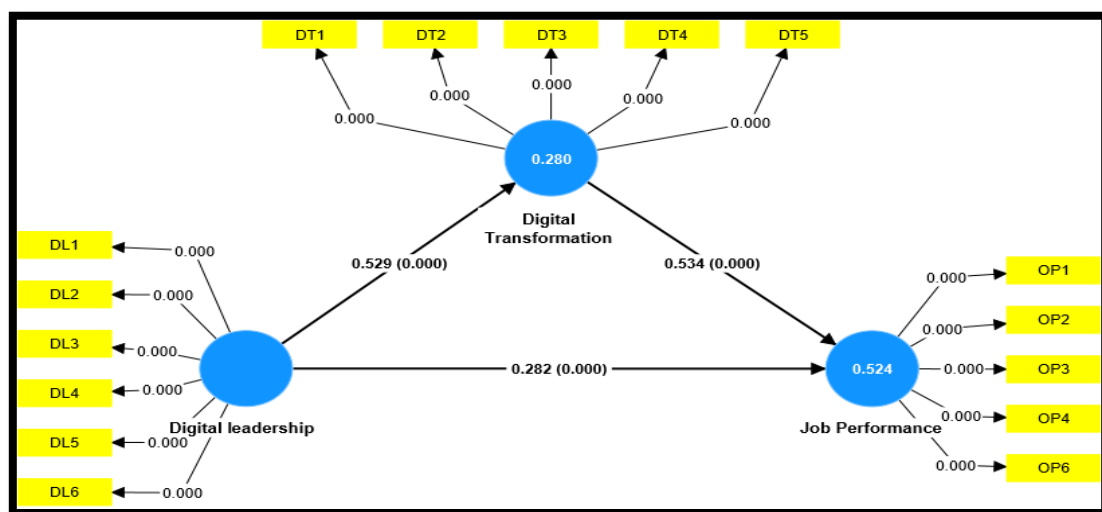


Figure (3): Structural Model

Discussion

The main purpose of this research was to empirically test how Digital Leadership affects Organizational Performance in Iraqi private colleges, namely, by exploring the mediating effect of Digital Transformation. All the hypotheses were confirmed by the structural model assessment, which provided important critical insights into the translation of leadership competencies into institutional success in a developing economy environment

The Effect of Digital Leadership on Organizational Performance, The findings gave empirical evidence which showed that Digital Leadership has a significant positive direct effect on Organizational Performance, this finding supported by [1]. This observation shows that leaders of universities with digital vision and flexibility are the direct drivers of the financial and operational prosperity of their institutions. In the same way, [2] supported this in the public sector by stating that digital leadership is a driver of intellectual capital, thus, leading to organizational excellence. As applied to the Iraqi context of the private colleges, it would mean that the capability of a dean to promote digital initiatives is, in itself, a competitive edge that draws stakeholders and enhances the reputation of the institution even prior to the actual technical implementation.

The Effect of Digital Leadership on Digital Transformation (H2) The statistical analysis showed that the association between Digital Leadership and Digital Transformation was the most significant route in the whole model which is a strong support to Hypothesis 2. This highlights the importance of leadership as the most important antecedent of change.

This result is consistent with the concept of a catalyst that was introduced by [3], as the authors

have found that organizational inertia is the main obstacle to transformation, rather than technology availability. They stated that robust digital leadership is needed to reduce employee resistance and create the commitment needed to bring about profound structural change.¹ In addition, [6] identified leaders as the movers of the digital ecosystem mobilization. We find that in the context of Iraqi higher education; digital transformation is not an simple process but a top-down strategic process that is highly reliant on the digital maturity of the administration.

Digital Transformation has a significant positive influence on Organizational Performance. The large value of this coefficient indicates that the actual use of digital tools is the most direct predictor of performance results. This finding is consistent with the results of [9], who revealed that digitalization is a major predictor of sustainable performance through cost reduction and the creation of a so-called circular economy of resources. [7] discovered that companies that effectively incorporate digital technologies into their main business models are able to get better financial returns. In the case of private colleges, this means that the shift to Smart University system, like automated student registration and e-learning systems, will directly translate into lower administrative overheads and faster delivery of services.

The Mediating Role of Digital Transformation, One of the main findings of the research is that Hypothesis 4 was proven to be correct as it verified that Digital Transformation is a significant mediator between Digital Leadership and Organizational Performance. The result of this analysis showed that there was complementary partial mediation, i.e., as much as digital leadership has a direct benefit, much of the value

is unlocked only when it is operationalized through digital transformation.

This result provides an important explanation of the implementation gap which is common in literature. It is consistent with the recent study [8] who discovered that in the developing economies, digital transformation is the key that links the leadership vision to actual performance results. It also resonates with [7], who believed that leadership is a distal variable that needs the proximal one, which is transformation, to influence financial outcomes. This research, therefore, indicates that digital literacy is not only required but also not sufficient to Iraqi academic leaders; they need to put it into tangible digital systems (e.g., LMS, digital governance) to achieve a meaningful performance improvement.

Theoretical Implications

First, the research contributes greatly to the literature on Digital Leadership in the Middle Eastern region. Although recent literature has widely discussed the topic of digital leadership in Asian industries [1] or in the Indonesian public sector [2], empirical studies that consider the specifics of the socio-economic context of Iraq have been lacking. This study bridges this gap by offering empirical data that digital leadership is a universal success antecedent, even in post-conflict and developing learning economies.

Second, and most importantly, the study sheds light on the underlying mechanism of the way leadership enhances performance. This study will solve the gaps in past literature whereby leadership did not predict performance directly. It substantiates the theoretical suggestion [8] that leadership is a distal factor that needs the proximal factor of Digital Transformation to influence organizational performance. This adds to the

Resource-Based View of the firm, which indicates that the digital vision of the leader is a useful intangible resource, but it can only create a competitive advantage when used to reconfigure the organizational processes. It proves that Digital Leadership has an enormous influence on Digital Transformation, and its impact on the latter is significant, which confirms the opinion of [6] that leaders are the main designers of the so-called digital ecosystem. This means that Transformation is not a technical upgrade but a management skill that has to be fostered by the high-level leadership.

Practical Implications

To policy makers at the Iraqi Ministry of Higher Education and owners of Private Colleges, the results have practical strategic implications: Redefining Leadership Selection Criteria: The results indicate that Digital Leadership is a significant predictor of performance, which means that technical competence is no longer a negligible factor in the selection of Deans and Department Heads. College Boards ought to stop relying on traditional academic seniority and start focusing on candidates who possess a Digital Vision and Adaptability. According to [3], the organizations should evaluate potential leaders in terms of their capacity to reduce resistance to change and promote the culture of digital innovation. Investment in Process Transformation, Not Just Hardware: The high impact of Digital Transformation on Performance is a critical imperative to investors. It is not enough to purchase computers or software licenses. It means that the money would have to be channeled towards process re-engineering- complete digitalization of student registration, HR processes and quality assurance systems. This cyclic digitization, as it is described by Khan et al. [9], is

what makes cost reduction and sustainability. Compulsory Digital Leadership Training: As the research confirms that leadership is the most straightforward way to achieve financial sustainability, the existing academic leaders have to be trained. Colleges are to introduce professional development workshops on the topics of E-Leadership and Data-Driven Decision Making. This is in line with [7] who argue that Digital Transformation cannot be considered an independent IT project but rather an essential part of the institutional strategy. as the Iraqi Ministry is becoming more focused on international accreditation. The outcome of the Complementary Mediation implies that those colleges that are the most successful will be those in which the Dean assumes the digital agenda personally, as opposed to assigning it fully to the IT department.

7. Conclusion

This paper aimed to empirically examine the motivators of performance in organizations in the Iraqi context of the higher education sector, which is highly competitive with a high rate of technology change. The study was able to explain the connection between Digital Leadership and Organizational Performance by using structural equation modeling approach, and one of the aspects was the significant mediating effect of Digital Transformation. The research validates the fact that leaders with digital vision and flexibility have a direct positive impact on the performance of their colleges in terms of operations and financial aspects. Nevertheless, the most important result is the complementary mediation effect. The greatest payoff on the investment in a dean as a digital competent individual is achieved when it is converted into tangible, digitized procedures, like automated student services and data-driven

governance. Thus, the digital age of organizational performance is an outcome of visionary leadership that is implemented through systematic change.

Study Limitations

Despite the strict methodology used, the study has some limitations that must be recognized when the results are interpreted: Cross-Sectional Design: The data was gathered at one time. Although the PLS-SEM analysis is suitable to make a causal inference, the best design to observe the development of the effect of the digital transformation is a longitudinal design that would take several years. Self-Report Bias: Since the data was based on self-administered questionnaires of academic administrators, there may be subjective bias on their perception of their leadership or institutional performance.

Future Research

Comparative Studies: Future researchers are advised to make comparative studies on Public vs. Private universities in Iraq to learn how various regulatory settings influence the uptake of digital leadership. Longitudinal Analysis: A longitudinal study of performance indicators (e.g., student enrollment, profitability) in the years before and after major digital transformation initiatives would give a more in-depth understanding of digital leadership in the long term. Enlarged Variables: Future models may add other mediating or moderating variables, including "Organizational Culture" or "Employee Digital Readiness" to offer a more detailed view of the human factors that enable successful transformation.

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