

## Investigating the Impact of Digital Business Intensity and Transformation on Organizational Ambidexterity and Sustainable Performance in the Indonesian Insurance Industry

Hawari Nasution <sup>1</sup>, Muafi Muafi <sup>1</sup>, Zainal Mustafa El Qadri <sup>1</sup>, John Suprihanto <sup>2</sup>

<sup>1</sup>Management Department, Universitas Islam Indonesia

<sup>2</sup>Management Department, Universitas Gadjah Mada

*muafi@uii.ac.id*

**Abstract.** This study investigates the impact of digital business intensity and digital business transformation on organizational ambidexterity and sustaining organizational performance in the Indonesian insurance industry. Using a survey-based quantitative research approach, data were collected from CEOs, CAOs, and CTOs of 40 national insurance firms and joint ventures in Indonesia. The study employed a structural equation modeling technique and the SmartPLS analysis tool for data testing and analysis. The findings reveal significant positive relationships between digital business intensity, digital business transformation, organizational ambidexterity, and sustaining organizational performance. Moreover, organizational ambidexterity was found to mediate the effects of digital business intensity and digital business transformation on sustaining organizational performance. The study contributes to the literature on digital transformation and organizational ambidexterity by providing empirical evidence on their interrelationships and impact on organizational performance in the insurance industry. The findings also have practical implications for insurance companies seeking to leverage digital technologies to achieve ambidexterity and sustain their performance in a dynamic business environment.

**Keywords:** Digital business intensity, digital business transformation, organizational ambidexterity, sustaining organizational performance.

## 1. Introduction

Indonesia has huge market opportunities for the insurance business sector. This is evidenced by the commercial insurance premiums accumulated in 2019 amounting to Rs. 281.2 trillion and in the same year recorded only 12,08% of the number of Indonesians who have served insurance (Prabowo, 2020). So not to exclude the possibility of such opportunities will be an attraction for insurers both at home and abroad, which can then trigger an increased climate of insurance business competition in Indonesia. This condition must clearly be read and understood by today's insurers, in order to prepare a strategy to survive and have a competitive advantage (Elahi, 2013). With the advent of the era of digital transformation, the insurance business sector requires continuous efficiency and innovation in their business activities (Jafari-Sadeghi et al., 2021), as well as preparing the competencies and resource capabilities they have by adopting technology and making information technology investments (Nwankpa & Datta, 2017; Schwepker & Good, 2017).

With the severity of competitiveness and the magnitude of business challenges in the era of digital transformation of the insurance sector in Indonesia, it is important to study how concepts of digital business transformation and digital business intensity as well as ambidexterity of sustaining organizational performance. The extent to which companies are investing in information technology to control a rapidly changing environment is called "digital business intensity" (J. K. Nwankpa et al., 2021). (Jin & Sanders, 2002; Lee et al., 2018; Lo & Darma, 2000). Process change and improvement can be achieved through investments in digital technologies such as big data, analytics, cloud, mobile, social media, and embedded devices (Horlacher & Hess, 2016; J. K. Nwankpa & Merhout, 2020).

According to some relevant studies, digital business intensity involvement can increase the ambidexterity of organizations (Gastaldi et al., 2021; Mardi et al., 2018). This can happen because digital business intensity can enhance the organization's information technology portfolio, which can increase exploitation and exploration. (J. K. Nwankpa & Datta, 2017). In addition, both have been found to have a significant influence on sustainable organizational performance (Mardi et al., 2018). Both have proven to have the ability to help companies survive and excel in an ever-changing business environment. (Dean, 2021; Wairimu & Liao, 2019). Furthermore, some studies found that ambidexterity has a significant influence on sustainable organizational performance (Kafetzopoulos, 2021; Peng et al., 2019). However, other studies have found that ambidexterity does not have a significant impact on organizational sustainable performance. (Menguc & Auh, 2008; Venkatraman et al., 2018). Inconsistent results produce theoretical differences, which encourage in-depth and thorough research into how digital business intensity affects ambidexterity and sustainable organizational performance.

From several previous studies, the problem that emerged is that there is still inconsistency in the results on the impact of digital business intensity on ambidexterity and sustaining organizational performance. As well as on the influence of the digital business transformation on Ambidexterity and Sustaining Organizational Performance. The next problem is that of the numerous relevant studies, very few researchers and academics in the field of management of SDM conduct investigations into the role of the structure of the organizations in achieving sustainable performance of the organization, let alone by involving the construction of the Digital Business intensity and digital transformation (Nwankpa & Datta, 2017) in the context of insurance business in Indonesia. In order to address this problem, the study will conduct a comprehensive and in-depth investigation into the impact of digital business intensity and digital business transformation on sustaining organizational performance through ambidexterity of organizations in the context of insurance business in Indonesia, it is expected that the findings of this research will provide a counter version to the literature of existing research as well as can help insurance companies develop effective strategies for leveraging digital technologies to achieve sustain their performance in a dynamic business environment.

Furthermore, digital transformation requires insurance companies to have the ability to anticipate and meet the needs of customers before they realize it (Leipzig et al., 2017) and must start adopting

relevant technology in their business. (Niraula & Kautish, 2019; Shevchuk et al., 2021). Companies that lack the ability to understand market conditions and are reluctant to integrate their business with changing environmental conditions, then they must prepare for a failure (Boso & Adeleye, 2019; Thornhill & Amit, 2003), which then ends in blasphemy. Starting from these issues, this study aims to investigate the impact of the intensity and transformation of digital business on the ambidexterity of organizations and supporting organizational performance in the Indonesian insurance industry.

## **2. Literature Review**

### **2.1. Digital Business Intensity**

According to Nwankpa and Datta (2017) digital business intensity is rooted in strategic investment choices for future business, transactional and operational differentiation. Digital business intensity is linked to corporate investment in innovative technologies to build an information technology portfolio (Schaarschmidt & Bertram, 2019). Strategic investment in innovative technology can transform asset portfolios, processes, and organizational paths. For example, Google's investment in autonomous vehicles, Tesla's founders' investment in reusable space rockets, or Apple's investments in watches (Nwankpa & Datta, 2017). Westerman et al., (2012) revealed that the intensity of digital business marks the level of investment in technology-based initiatives intended to transform and expand the portfolio of corporate information technology by adopting and accommodating technological innovation.

### **2.2. Digital Business Transformation**

Corporate digital transformation involves integrating internal and external resources through information technology, computing, communication, and connectivity to re-shape the vision, strategy, organizational structure, processes, capabilities, and corporate culture to adapt to the ever-changing digital world (Vial, 2019). Digital business transformation is the application of technology to build new business models, processes, software, and systems that generate more profitable revenues, greater competitive advantage, and higher efficiency (Schwertner, 2017). Businesses can digital transformation by changing their business processes and models, enhancing labour efficiency and innovation, and personalizing customer experiences. Digital business transformation drives the integration of new digital technologies into all areas of business, which eventually leads to fundamental changes in the way organizations work.

### **2.3. Organizational Ambidexterity**

According to Raisch et al., (2009) ambidexterity can be described as the ability of companies to exploit their current business operations with increasing levels of efficiency (exploitation) while seeking new opportunities and radical innovation (exploration) at the same time. In other words, ambidexterity can also be described as the ability of companies to simultaneously or evenly pursue a competitive strategic orientation (Hu & Chen, 2016; Zhang et al., 2016), and the need to ensure that organizations must be able to undertake exploration processes for sustainable growth while exploiting current business practices to maximize returns (Stubner et al., 2012). Rosing and Zacher (2016) revealed that in its essence ambidexterity aims to secure the short- and long-term competitiveness of organizations.

### **2.4. Sustaining Organizational Performance**

Sustainable organization performance is defined as not much different from the concept of organizational performance in general. Organizational sustainability is more specific to the organization's ability to meet the needs and expectations of customers and other stakeholders in the long

term (Stanciu et al., 2014). (Sabuhari et al., 2020). Nevertheless, these two concepts are in essence multidimensional constructions, and the correct measure to be chosen in their assessment depends on the type of organization to be evaluated, and what objectives are to be achieved through the evaluation (Mutende et al., 2017).

### **3. Hypothesis development**

#### **3.1. Digital Business Intensity and Organizational Ambidexterity**

The primary objective of digital business intensity is to enhance the technological capabilities of a firm (Nwankpa & Datta, 2017). The efficacy of ambidexterity can be enhanced by proficient delivery of information technology (Gastaldi et al., 2021). This aligns with the findings of the study conducted by (Mardi et al., 2018), which suggests that the use of technology promotes ambidexterity. However, from the study presented by Mardi et al., (2018), the aspect of digital business transformation is very rarely involved as a determining factor of ambidexterity of an organization, especially in the context of insurance business. Ambidexterity can only be attained by the simultaneous execution of exploitation and exploration, as stated by Mardi et al., (2018) and Park et al., (2020). In this context, it is believed that the level of digital activity in a firm enhances the likelihood of establishing ambidexterity. Trieu et al., (2023) stated that the information technology capabilities derived from technology investments have a negative impact on the ambidexterity of organizations.

H1. Digital business intensity has a significant positive impact on organizational ambidexterity.

#### **3.2. Digital Business Transformation and Organizational Ambidexterity**

Based on expert comments and prior studies, it is likely that digital transformation will stimulate innovation in both exploitation and exploration (ambidexterity). In order to continue high performance and keep a competitive edge, firms need to promptly and precisely adapt to digital change. organizations that possess ambidexterity, the ability to simultaneously investigate and exploit, may outperform organizations that prioritize one part of operations while neglecting the other (Schnellbacher et al., 2019).

Multiple recent empirical studies validate the impact of digital transformation on the ambidexterity of enterprises. Zhang et al., (2021) discovered that corporate digital transformation enhances both exploitative and explorative innovation, often known as ambidexterity. According to Scuotto et al., (2020), social media platforms are examples of digital transformation that include four aspects. These aspects have a beneficial effect on the ability of the Italian fashion industry to pursue both exploitative and exploratory innovations. Abdalla and Nakagawa (2021) discovered similar findings, revealing that digital transformation has a positive impact on ambidexterity supply chains in the industrial sector of Japan. Some previous studies found very rarely to involve aspects of digital business intensity as before organizational ambidexterity, let alone in the context of the insurance business sector. Gastaldi et al., (2021) argued that the adoption of technology in business had a significant influence on organizational ambidexterity.

H2. Digital business transformation has a positive impact on organizational ambidexterity.

#### **3.3. Organizational Ambidexterity and Sustaining Organizational Performance**

Several specialists have elucidated the significance of ambidexterity in relation to organizational performance. Companies must achieve a balanced approach between exploitation and exploration to demonstrate ambidexterity (Buuse et al., 2021). Innovation encompasses the act of using existing

resources, while efficiency and cost reductions are integral to the process of exploring new possibilities. If a business can effectively achieve a harmonious equilibrium between creativity and efficiency, then it possesses immense potential for achieving success. Achieving ambidexterity can lead to a competitive edge, as evidenced by certain research (Centobelli et al., 2019). Empirical study findings indicate that ambidexterity has a notable influence on organizational performance (Kafetzopoulos, 2021). Furthermore, companies have a higher probability of achieving sustainable success if they constantly resolve discrepancies (Pertusa-Ortega & Molina-Azorín, 2018). Nevertheless, previous research findings found that sustainable organizational performance achieved through organizational ambidexterity tends to ignore other important aspects such as digital business intensity and digital business transformation, especially in the context of insurance business. Sarmento et al., (2024) found ambidexterity to have a significant impact on organizational performance.

H3. Ambidexterity has a positive impact on sustaining organizational performance.

### **3.4. Digital Business Intensity and Sustaining Organizational Performance**

Some literature uses the term "digital business intensity" to describe a strategy that may be used to adapt to the constantly changing business environment (Nwankpa & Roumani, 2018). Additional research has also discovered that the level of digital business activity has a vital role in determining organizational effectiveness (Wairimu & Liao, 2019). The findings of this study confirm the significance of investing in and embracing technology in company, as it has the potential to impact operational efficiency and overall effectiveness (Gastaldi et al., 2021). Technology simplifies business processes for firms, particularly in terms of operations and customer service. Consequently, the seamless functioning of all organizational functions has a direct impact on the productivity level of companies (Lakhwani et al., 2020). This scenario demonstrates the crucial role that technology plays in the operation of a corporation. The level of digital business has a favorable correlation with the potential for long-term company performance. Despite this, previous findings only examined the role of digital business intensity in sustaining organizational performance, aspects of the digital business transformation have not been highlighted. As by Ullah et al., (2020) that digital business transformation plays an important role in achieving sustainable organizational performance. Jin et al., (2023) found that digital business intensity had a significant impact on organizational performance.

H4. Digital business intensity has a significant positive impact on sustaining organizational performance.

### **3.5. Digital Business Transformation and Sustaining Organizational Performance**

Several scholars have examined the correlation between digital technology and organizational performance (Tan et al., 2010). Researchers commonly analyze digital transformation in terms of technology advancements and examine its effects on organizational vulnerability (Scholz et al., 2020) and business model transformation (Li, 2020). Researchers have started advocating for the use of digital transformation strategies to assist organizations in achieving their sustainable objectives, based on their comprehensive knowledge of digital transformation and the external environment dynamics (Pan & Zhang, 2020). Prior research has shown that using technology as part of digital business transformation greatly influences organizational performance (Bhatiasavi & Naglis, 2018). Ferrer-Dávaldios (2023) has corroborated these findings in his latest study, which highlights the significance of digital business transformation for the long-term viability of organizations. Despite this, previous studies focused only on the aspects of digital business transformation to sustainable organizational performance, the digital business intensity aspects tended to be ignored. Experts that through digital business intensity decisions,

enterprise information technology capabilities can be achieved which will make it easier for organizations to reach sustainable performance.

H5. Digital business transformation has a significant positive impact on sustaining organizational performance.

### **3.6. Organizational Ambidexterity Mediates Digital Business Intensity and Sustaining Organizational Performance**

Digital business intensity refers to the deliberate allocation of resources and assets towards future strategic investments (Nwankpa & Datta, 2017). Digital business intensity refers to the level of investment that firms allocate towards implementing cutting-edge digital technology and processes to enhance their overall performance. This necessitates the incorporation of contemporary infrastructure with more recent applications, leading to swift and effective application use, as well as enhanced organizational performance (Aral & Weill, 2007). According to certain experts, the level of digital business intensity is strongly linked to the practice of both exploitation and exploration, which are two fundamental aspects of ambidexterity (Nwankpa & Datta, 2017). This research considers the digital intensity of business as a precursor to establishing a balanced level of efficiency (exploitation) and innovation (exploration), which in turn drives the long-term success of the organization.

According to certain analysts, the company's performance might be directly impacted by exploitation and exploration efforts (Severgnini et al., 2018). The occurrence of digital transformation facilitates heightened competitiveness, which is a key factor driving the company's utilization and investigation (Abdalla & Nakagawa, 2021; Scuotto et al., 2020). Hence, it is important to make calculated decisions to initiate a firm centered around digital technology, by carefully selecting technological investments. This notion is substantiated by several expert discoveries. Organizations can leverage digital business intensity or technology investment to effectively seek and capitalize on opportunities (Gastaldi et al., 2021). If businesses can create a balance between exploration and exploitation, they can develop ambidexterity capabilities (Buuse et al., 2021; Clauss et al., 2021).

H6. Organizational ambidexterity mediates the influence of digital business intensity on sustaining organizational performance.

### **3.7. Organizational Ambidexterity Mediates Digital Business Transformation and Sustaining Organizational Performance**

Experts have stated that an organization's ability to adapt to changing external conditions is crucial for its survival (Cosenz & Rosati, 2020). The industry is compelled to change their business due to digital business transformation. This adjustment may be accomplished by effectively implementing both exploitation and exploration in a balanced manner (Nwankpa & Datta, 2017). Exploitation and exploration are crucial for businesses to achieve operational efficiency and foster creativity (Raisch et al., 2009). This is particularly important in the context of digital transformation, which has a profound influence on organizational change.

To thrive in competitive and ever-changing environments, companies must possess effective alternative strategies. Organizational ambidexterity is one such strategy that can lead to competitive advantage and sustainable performance (Centobelli et al., 2019; Clauss et al., 2021). In one of their works, Peng et al., (2019) argue that achieving a balance between exploitation and exploration, commonly known as ambidexterity, results in superior organizational performance and excellence.

H7. Organizational ambidexterity mediates the influence of digital business transformation on sustaining organizational performance.

## 4. Research Method

The population in this study is a conventional life insurance company, either a joint venture or a national company that is registered and licensed by the Financial Services Authority (FSA) by the end of 2022. There are 58 traditional life insurance companies and 40 of them have assets of over 1 trillion rupees (OJK., 2022). Based on the data above, the researchers decided to take the entire 40 companies as populations in this study, so it is expected to obtain comprehensive data as provided by Hair et al., (2019) that the population is the totality of each element to be studied that has the same characteristics, may be individuals of a group, event, or something to be researched.

The analysis unit in this study is a questionnaire from each stakeholder at the top level of management, namely, 40 Chief Executive Officer (CEO), 40 chief agency officer (CAO) and 40 Chiefs Technology Officer CTO) of each company. The data of each department in one company is an average and is one unit of response of one company. This population number must have corresponded to the minimum population required when using the SmartPLS analytical tool. This refers to the opinion of Hair et al., (2019) which suggests ten times the maximum number of lines leading to each structure in the external model (i.e., the number of formative indicators per structure) and the internal model (ie, the amount of line relations directed to a particular construction). Since the model in this study as a whole uses reflective indicators, then in the determination of a minimum population would use the second alternative, which is ten times that of the largest number of structural paths directed at a particular structure (endogenous) in the structural model (Hair et al., 2013). It is known that the most structural lines in the research model are directed on the ambidexterity variable as an endogeneous construction that is as many as two paths.

The measurement of digital business intensity is based on four parameters developed by Nwankpa and Merhout (2020), which assesses the intensity of a digital business based on technology investment decisions. Digital business transformation is measured using five indicators created by Nwankpa and Roumani (2016), which assess the transformation of digital through the integration of technology with organizational business. The ambidexterity of an organization can be measured using six indicators produced by Mardi et al., (2018), which assesses the ability of an enterprise to conduct exploitation and exploration activities simultaneously. While sustainable organizational performance can be measured using six indicators developed by Kafetzopoulos (2021). The table below provides a more explicit presentation of the definitions and indications for each structure.

Table 1. Variable, Operational Definition, and Indicator

| Variable  | Operational Definition   | Indicators  |
|---|--|---|
| Digital Business Intensity<br>(Nwankpa & Datta, 2017) | Digital business intensity focuses on strategic exploration of investments in future resources and assets. Digital business intensity refers to a company's investment in innovative new technologies to build its information technology portfolio.   | <ul style="list-style-type: none"> <li>• Digital technology investment in business transactions</li> <li>• Digital technology investments in corporate operations</li> <li>• Investment in new digital opportunities and technologies</li> <li>• Initiatives supported by digital technology</li> </ul> |
| Digital Business Transformation<br>(Vial, 2019)       | Digital business transformation involves integrating internal and external resources through information technology, computing, communication, and connectivity to re-shape the vision, strategy, organizational structure, processes, capabilities, and culture of an enterprise to adapt to the ever-changing digital world. | <ul style="list-style-type: none"> <li>• Technology-based business</li> <li>• Technology integration</li> <li>• Technology utilization</li> <li>• Digital product and service development</li> <li>• Promote digital skills.</li> </ul>   |

| Variable  | Operational Definition  | Indicators   |
|---|---|--|
| Organizational Ambidexterity (O'Reilly & Tushman, 2013)       | Organizational ambidexterity refers to an organization's ability to explore and exploit - to compete in mature technologies and markets where efficiency, control, and incremental improvement are valued and also to compete in new technologies and new markets in which flexibility, autonomy, and experimentation are required. | <ul style="list-style-type: none"> <li>• Quality and low cost</li> <li>• Continuous improvement.</li> <li>• Process automation.</li> <li>• Creative ways of satisfying buyers.</li> <li>• Innovative products.</li> <li>• New markets and segments.</li> </ul> |
| Sustaining Organizational Performance (Nwankpa & Datta, 2017) | Sustainable organizational performance is described as a measure of how a company is able to meet its goals and objectives.   | <ul style="list-style-type: none"> <li>• Profitability</li> <li>• Productivity</li> <li>• return on investment.</li> <li>• low cost</li> <li>• timely</li> <li>• responsive</li> </ul>   |

## 5. Research Result

### 5.1. Respondents Profile

Tabel 2. Profile of Respondents

| Classification   | Criteria                       | Number | Percentage (%) |
|------------------|--------------------------------|--------|----------------|
| Type of business | National insurance company     | 14     | 35             |
|                  | Joint Venture company          | 26     | 65             |
|                  | Total                          | 40     | 100            |
| Number of assets | 1 – 5 trillion                 | 16     | 40             |
|                  | 5 – 10 trillion                | 9      | 23             |
|                  | 10 – 25 trillion               | 8      | 20             |
|                  | ≥ 25 trillion                  | 7      | 17             |
|                  | Total                          | 40     | 100            |
| Position         | Chief Executive Officer (CEO)  | 40     | 100            |
|                  | Chief Agency Officer (CAO)     | 40     | 100            |
|                  | Chief Technology Officer (CTO) | 40     | 100            |
|                  | Total                          | 40     | 100            |

Source: processed primary data, 2024

The data obtained in table 2 above is a respondent profile related to the distribution of the characteristics of the respondent according to the type of business, the number of assets, positions, and terms of service. The respondent's characteristics by type of enterprise dominated joint insurance company or joint venture is 65%. The respondents' characteristics based on the amount of asset dominated insurance company with assets of between IDR. 1 trillion to IDR. 5 trillion with a percentage of 40%. The lowest is the insurance company which has assets more than IDR. 25 trillion is 7 companies with a percent rate of 17%. Furthermore, the characteristic of respondents based on posts, in the context of this study, the respondents including CEO, CAO, and CTO have given a response to the research questionnaire that has been distributed. From the above data it can be interpreted that the companies that were respondents in this study were able to implement digital transformation with the firm financial support of the company.



## 5.2. Research Variable Descriptive

Table 3. Research Variable Descriptive

| No                            | Indicator                                       | Average Respondent's Responses | Average Standard Deviation | Coefficient Variation (%) |
|-------------------------------|---|--------------------------------|----------------------------|---------------------------|
| 1                             | Digital Business Intensity Variable             | 5,18                           | 0,45                       | 8,75                      |
| 2                             | Digital Business Transformation Variable        | 5,14                           | 0,48                       | 9,34                      |
| 3                             | Organizational Ambidexterity Variable           | 5,35                           | 0,67                       | 12,52                     |
| 4                             | Sustaining Organizational Performance Variables | 5,40                           | 0,69                       | 12,78                     |
| Average of Research Variables |   | 5,27                           | 0,57                       | 10,85                     |

Source: processed primary data, 2024

The findings of statistical data are descriptive on the variable of the study from table 2 above, in this study confirmed consisting of 4 indicators. The overall average answer value of respondents is 5.27, based on a likert scale with an interval of 5.15 to 6.00. The results are categorized very well, except for the digital business transformation variable with an average of 5.14, so it can be said that the respondent's perception of the questions in the survey variable has a high level of homogeneity, this is reinforced by the average standard deviation of 0.57 and the variation coefficient of 10.85%. The good category on the digital transformation business variable shows a positive tendency towards digital technology transformation supported by high value of digital business intensity, it represents an excellent investment intensity has occurred in the insurance companies in Indonesia in the adoption of digital technology which ultimately relies on ambidexterity as a commitment and the company's ability in achieving efficiency (exploitation) and innovation (ploration) in a balanced way, so that products and produce innovative services at an affordable price that companies can finally competitive performance. (Westerman et al., 2012; Nwankpa & Datta., 2017; Mardi et al., 2018 dan Kafetzopoulos., 2021).

## 5.3. Validity and Reliability

Table 4. Validity and Reliability Test

| Variable                                    | Indicator | Loading Factor | AVE   | Composite Reliability |
|---|-----------|----------------|-------|-----------------------|
| Digital Business Intensity (DBI)            | DBI1      | 0,849          | 0,794 | 0,922                 |
|   | DBI2      | 0,908          |       |                       |
|   | DBI3      | 0,892          |       |                       |
|   | DBI4      | 0,913          |       |                       |
| Digital Business Transformation (DBT)       | DBT1      | 0,827          | 0,715 | 0,912                 |
|   | DBT2      | 0,898          |       |                       |
|   | DBT3      | 0,883          |       |                       |
|   | DBT4      | 0,847          |       |                       |
|   | DBT5      | 0,764          |       |                       |
| Organizational Ambidexterity (OA)           | OA1       | 0,833          | 0,665 | 0,903                 |
|   | OA2       | 0,831          |       |                       |
|   | OA3       | 0,781          |       |                       |
|   | OA4       | 0,830          |       |                       |
|   | OA5       | 0,814          |       |                       |
|   | OA6       | 0,804          |       |                       |
| Sustaining Organizational Performance (SOP) | SOP1      | 0,775          | 0,616 | 0,912                 |
|   | SOP2      | 0,795          |       |                       |
|   | SOP3      | 0,771          |       |                       |
|   | SOP4      | 0,816          |       |                       |

| Variable | Indicator | Loading Factor | AVE | Composite Reliability |
|----------|-----------|----------------|-----|-----------------------|
|          | SOP5      | 0,771          |     |                       |
|          | SOP6      | 0,750          |     |                       |
|          | SOP7      | 0,789          |     |                       |
|          | SOP8      | 0,809          |     |                       |

Source: processed primary data, 2024

The factor load value for each indicator exceeds 0.7 and the AVE value for the overall construction exceeding 0.5 indicates that all these research indicators are valid. This is shown in table 3 above. The table above shows a combined reliability value for each construction greater than 0.7. Thus, it can be interpreted that each statement item in the questionnaire can be used to measure the intensity of the digital construction of a business, the ambidexterity of an organization, and the continuing performance of an organisation. This condition indicates the belief that this research variable is reliable and has been met. That is, when research construction measurement instruments are used repeatedly on a variety of phenomena, they still produce the same results.

#### 5.4. Hypothesis Test

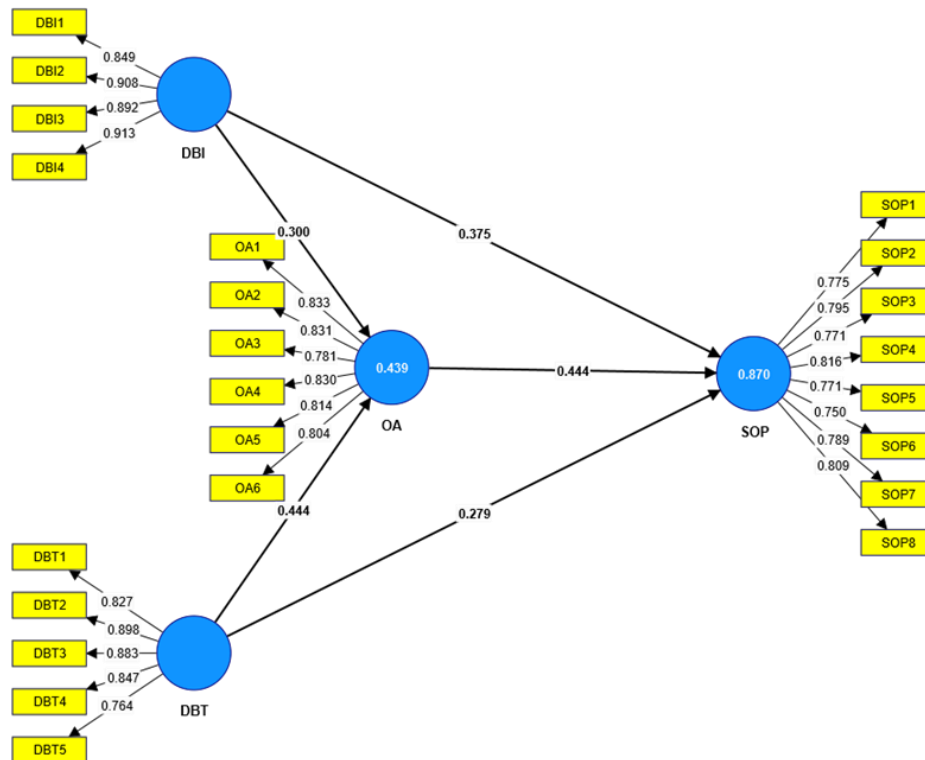


Fig.1:Path Diagram SmartPLS

Table 5. Hypothesis Test

| Hypothesis  | Path Coefficient (t) | P – Value | Note        |
|---|----------------------|-----------|-------------|
| H1, Digital Business Intensity => Organizational Ambidexterity, | 0,300                | 0,019*    | H1 accepted |

| Hypothesis  | Path Coefficient (t) | P – Value | Note        |
|---|----------------------|-----------|-------------|
| H2, Digital Business Transformation => Organizational Ambidexterity   | 0,444                | 0,001*    | H2 accepted |
| H3, Organizational Ambidexterity => Sustaining Organizational Performance                                   | 0,444                | 0,000*    | H3 accepted |
| H4, Digital Business Intensity => Sustaining Organizational Performance                                     | 0,375                | 0,000*    | H4 accepted |
| H5, Digital Business Transformation => Sustaining Organizational Performance                                | 0,279                | 0,001*    | H5 accepted |
| H6, Digital Business Intensity => Organizational Ambidexterity=> Sustaining Organizational Performance      | 0,133                | 0,045*    | H6 accepted |
| H7, Digital Business Transformation => Organizational Ambidexterity=> Sustaining Organizational Performance | 0,197                | 0,003*    | H7 accepted |

\*Sign=alpha <0.05

The test findings shown in the table above corroborate the acceptance of the First Hypothesis (H1), indicating a strong effect of digital business intensity on organizational ambidexterity. This discovery was confirmed by getting a positive path coefficient of 0.300 and a p-value of 0.019, which is lower than the significance level of 0.05. The second hypothesis (H2) was confirmed, indicating a substantial impact of digital business intensity on organizational ambidexterity. The path coefficient was positive (0.444) and the p-value (0.001) was found to be less than (<) 0.05. The third hypothesis (H3) was confirmed, indicating a substantial impact of organizational ambidexterity on sustaining organizational performance. The path coefficient was found to be positive (0.444), and the p-value (0.000) was less than (<) 0.05. The fourth hypothesis (H4) was confirmed, indicating a substantial impact of digital business intensity on sustaining organizational performance. This was supported by a positive path coefficient of 0.375 and a p-value of 0.000, which was lower than the significance level of 0.05. The fifth hypothesis (H5) was confirmed, indicating a substantial impact of digital business transformation on sustaining organizational performance. This was supported by a positive path coefficient of 0.279 and a p-value of 0.001, which was lower than the significance level of 0.05. The sixth hypothesis (H6) was confirmed, indicating a substantial impact of digital business intensity on sustaining organizational performance. This influence is mediated by organizational ambidexterity, with a positive path coefficient of 0.133 and a p-value of 0.045, which is below the significance threshold of 0.05. The seventh hypothesis (H7) was confirmed, indicating a substantial impact of digital business transformation on sustaining organizational performance, with organizational ambidexterity acting as a mediator. The path coefficient was found to be positive (0.133), and the p-value (0.045) was lower than the significance level of 0.05.

## 6. Discussion and Implications

The empirical findings indicate that the digital business intensity has positive and significant influence on the organization's ambidexterity. These findings indicate that the probability of firms acquiring ambidexterity is higher as the digital business intensity is higher, this means that an organization's chances of achieving balanced exploitation and exploration depend heavily on the effectiveness of the company's digital business intensity. Furthermore, these findings support the results of a number of

previous studies such as Abdalla and Nakagawa (2021), Scuotto et al., (2020), Trieu et al., (2023), Zhang et al., (2021). Enhancing the efficacy of ambidexterity can be achieved by proficient distribution of information technology (Gastaldi et al., 2021). In their study, Mardi et al., (2018) asserted that the utilization of technology enhances operational effectiveness. Achieving ambidexterity requires simultaneous execution of both exploitation and exploration (Mardi et al., 2018; Park et al., 2020). In this regard, there is a prevailing notion that digital business intensity significantly enhances the likelihood of obtaining ambidexterity. According to Pertusa-Ortega and Molina-Azorín (2018), the level of digital business intensity necessitates the use of exploitative innovation that builds upon current company capabilities and procedures. As technology advances, firms will progressively enhance their learning and gather digital information.

Apart from that, this study has also confirmed that digital business transformation has a positive and significant effect on organizational ambidexterity and sustaining organizational performance. These findings support the results of investigations in previous studies such as Abdalla and Nakagawa (2021) which show that digital business transformation has a significant effect on organizational ambidexterity. An organization's ability to achieve balanced exploitation and exploration (ambidexterity) is greatly influenced by the availability of adequate technology, and digital business transformation will make it easier for organizations to make improvements related to processes and develop products or services for consumers. Furthermore, the findings in this study also support the results of investigations conducted by Bhatiasavi and Naglis (2018), Ferrer-Dávaldios (2023), dan Ullah et al., (2020) which show that digital business transformation plays a significant role in achieving sustainable organizational performance. These findings illustrate that to achieve sustainable performance, organizations must be able to respond quickly to environmental changes through the implementation or adoption of digital technology (digital transformation) that is relevant to market needs. The more effective the technology adopted by an organization, the higher the chances of achieving sustainable performance.

In addition, the study has also confirmed that digital business transformation has a positive and significant impact on organizational ambidexterity and sustaining organizational performance. The ability of organizations to ambidexterity is greatly affected by the availability of adequate technology, and with the presence of digital business transformation will make it easier for organizations for process improvements and product or service development to the consumer. Furthermore, the findings in the study also support the results of investigations conducted by Bhatiasavi and Naglis (2018), Ferrer-Dávaldios (2023), and Ullah et al., (2020) that show that digital business transformation plays a significant role in achieving sustainable organizational performance. The findings suggest that in order to sustainable performance, organizations must be able to respond to environmental changes quickly through the implementation or adoption of digital transformation technologies that are relevant to market needs. The more effective technology the organization adopts, the more likely it will be to sustainable performance.

The findings concerning organizational ambidexterity had a positive and significant influence on sustaining organizational performance in this study, having confirmed the same findings as in previous studies (e.g. Kafetzopoulos, 2021; Pertusa-Ortega & Molina-Azorín, 2018; Severgnini et al., 2018). According to this study, being able to adapt and excel in different areas within an organization has a beneficial and noteworthy effect on attaining sustaining organizational performance. The presence of this condition indicates that the likelihood of attaining sustained performance is better when the organization has a greater degree of ambidexterity capabilities. Several prior research have found that organizational ambidexterity has a considerable impact on the long-term success of companies (Sarmiento et al., 2024). Exploration is crucial for expanding and updating the knowledge base. However, without exploitation, the company's expertise would become outdated. Organizations that are capable of simultaneously engaging in exploration and exploitation activities tend to achieve higher levels of performance (Junni et al., 2013; Nosella et al., 2012; Severgnini et al., 2018).

Moreover, this study demonstrates that the level of digital business activity has a positive and significant influence on the sustainable performance of organizations. This finding supports the findings presented by Jin et al., (2023) that technology investment plays a significant role in sustainable organizational performance achievement. According to Wairimu and Liao (2019), the level of digital business activity is essential for the performance of a company. The findings of this study confirm the significance of investing in and embracing technology in a company, as it has the potential to impact operational efficiency and overall effectiveness (Gastaldi et al., 2021). Technology simplifies organizational business processes, particularly in the areas of operations and customer service. Consequently, the smooth functioning of all organizational functions has a direct impact on the organization's production level (Lakhwani et al., 2020). This scenario demonstrates the crucial role that technology plays in the operation of a corporation. This study demonstrates that the level of digitalization in business has a positive impact on the long-term success of businesses, as opposed to the likelihood of attaining sustained performance.

It is well recognized that the adoption of technology will incentivize enterprises to acquire a deeper understanding of technology to ensure a successful adoption process. Several experts have suggested that the success of a corporation may be directly influenced by its exploitation and exploration efforts (Kafetzopoulos, 2021; Mardi et al., 2018; Peng et al., 2019; Severgnini et al., 2018). The occurrence of digital transformation enables intense business competitiveness, which motivates organizations to capitalize on and investigate (Abdalla & Nakagawa, 2021; Scuotto et al., 2020; Zhang et al., 2021). To successfully operate a technology-based digital firm, it is necessary to make strategic decisions on technology investments. Many expert researchers have shown that a higher level of investment in digital business or technology can facilitate organizations' ability to engage in both exploitation and exploration activities to a greater extent (Gastaldi et al., 2021). If companies strike a balance between exploration and exploitation, they can develop ambidexterity capabilities (Buuse et al., 2021; Clauss et al., 2021). This will directly influence the organization's ability to consistently enhance its performance in a sustainable manner.

In the end, the findings of this study extend the investigation conducted by Nwankpa and Datta (2017), which confirms that organizational ambidexterity constructions act as a mediator in the influence of digital business intensity on sustaining their unfinished organizational performance. However, the study shows some limitations such as the coefficient of a too low path in the role of organizational mediation on the impact of digital Business intensity and digital business transformation on sustaining organisational performance, thus enabling other factors to potentially be an alternative mediator on such influence. In addition, digital business intensity has been shown to have a significant positive impact on sustenance of organisational performances, but the size of the impact is relatively small compared to the ambideXterity of an organization, this condition also suggests that other factors may also play an important role in boosting the long-term performance of the organization. Another limitation identified is that the number of samples and the coverage of research is still limited in the Indonesian insurance business sector, which potentially leads to limited research models in explaining various business phenomena in relevant contexts.

## **6.1. Theoretical Implication**

The findings of the study provide positive implications for the development of science in the field of human resources management and organizations, specifically on the study of the role of the concepts of digital business intensity and digital business transformation on sustainable organizational performance. The findings of this study are expected to be the basis for further researchers in developing the theory by involving the concept of digital business intensity on various structures and fundamental theories relevant in the field of human resource management. The study extends the research conducted by Nwankpa and Datta (2017) by showing the role of organizational ambidexterity mediation on the influence of digital business intensity on sustaining organizational performance.

## 6.2. Practical Implication

The results of this study have favorable implications for senior executives and companies in developing efficient alternative ways to attain sustained organizational success. Moreover, the research is anticipated to serve as a guide for senior executives in evaluating and assessing requirements prior to making strategic choices about investment or implementation of digital technology. The reason for this is that the investment and implementation of technology must include both the requirements and capabilities of human resources and organizations in order to enhance the effectiveness and focus of technology utilization. Furthermore, the study provides insights for insurance companies to be obliged to invest in digital technologies that will subsequently support exploitation activities (e.g. process automation and continuous improvement to efficiency and effectiveness) and exploration activities (e.g. innovative product development and market expansion).

## 7. Conclusion

This study provides empirical evidence on the critical role of digital business intensity and digital business transformation in driving organizational ambidexterity and sustaining organizational performance in the Indonesian insurance industry. The findings highlight the importance of investing in digital technologies and capabilities to simultaneously pursue exploitation and exploration activities, which in turn leads to improved long-term performance. Moreover, the study demonstrates the mediating role of organizational ambidexterity in the relationships between digital business intensity, digital business transformation, and sustaining organizational performance, suggesting that ambidexterity is a key mechanism through which digital initiatives translate into enhanced performance outcomes.

The study contributes to the growing body of knowledge on digital transformation and organizational ambidexterity by providing a theoretical framework and empirical evidence on their interrelationships and impact on organizational performance in the specific context of the insurance industry. The findings also have important practical implications for insurance companies, highlighting the need to develop and implement effective digital strategies that support both efficiency and innovation, and to foster an organizational culture and structure that enables ambidexterity.

However, the study is not without limitations, such as the relatively small sample size and the focus on a single industry and country context, which may limit the generalizability of the findings. Future research could extend this study by examining the relationships between digital business intensity, organizational ambidexterity, and sustaining organizational performance in other industries and cultural contexts, and by exploring additional factors that may influence these relationships, such as leadership styles, organizational culture, and environmental dynamism.

## References

- Abdalla, S., & Nakagawa, K. (2021). The Interplay of Digital Transformation and Collaborative Innovation on Supply Chain Ambidexterity. *Technology Innovation Management Review*, 11(3), 45–56.
- Aral, S., & Weill, P. (2007). IT Assets, Organizational Capabilities, and Firm Performance: How Resource Allocations and Organizational Differences Explain Performance Variation. *Organization Science*, 18(5), 763–780. <https://doi.org/10.1287/orsc.1070.0306>
- Ashurst, C., Freer, A., Ekdahl, J., & Gibbons, C. (2012). Exploring IT-enabled innovation: A new paradigm? *International Journal of Information Management*, 32, 326–336. <https://doi.org/10.1016/j.ijinfomgt.2012.05.006>
- Azeem, S., Nasir, N., Kousar, S., & Sabir, S. (2020). Impact of E-Commerce Investment and Enterprise Performance Based on Customer Relationship Management. *International Journal of Psychosocial*

*Rehabilitation*, 24(09), 3998–4006.

Bhatiasevi, V., & Naglis, M. (2018). Elucidating the determinants of business intelligence adoption and organizational performance. *Information Development*, 36(1), 1–19. <https://doi.org/10.1177/0266666918811394>

Boso, N., & Adeleye, I. (2019). The internationalization of African firms: Opportunities, challenges, and risks. *Thunderbird International Business Review*, 61(1), 5–12. <https://doi.org/10.1002/tie.21977>

Buuse, D. Van Den, Winden, W. Van, & Schrama, W. (2021). Balancing Exploration and Exploitation in Sustainable Urban Innovation: An Ambidexterity Perspective toward Smart Cities. *Journal of Urban Technology*, 28(1), 175–197. <https://doi.org/10.1080/10630732.2020.1835048>

Centobelli, P., Cerchione, R., Esposito, E., & Shashi. (2019). Exploration and exploitation in the development of more entrepreneurial universities: A twisting learning path model of ambidexterity. *Technological Forecasting & Social Change*, 141, 172–194. <https://doi.org/10.1016/j.techfore.2018.10.014>

Clauss, T., Kraus, S., Kallinger, F. L., Bican, P. M., Brem, A., & Kailer, N. (2021). Organizational ambidexterity and competitive advantage: The role of strategic agility in the exploration-exploitation paradox. *Journal of Innovation and Knowledge*, 6(4), 203–213. <https://doi.org/10.1016/j.jik.2020.07.003>

Cosenz, F., & Rosati, F. (2020). Dynamic business modeling for sustainability: Exploring a system dynamics perspective to develop sustainable business models. *Business Strategy and the Environment*, 29(2), 651–664. <https://doi.org/10.1002/bse.2395>

Dean, B. P. (2021). Multiteam systems as integrated networks for engaging ambidexterity as dynamic capabilities. *International Journal of Organization Theory & Behavior*, 24(4), 300–319.

Elahi, E. (2013). How Risk Management Can Turn into Competitive Advantage: Examples and Rationale. *Foresight*, 15(2), 117–131.

Ferrer-Dávaldios, R. M. (2023). Influence of technology adoption on organizational performance: evidence from Paraguayan microenterprises. *South Florida Journal of Development*, 4(2), 696–718. <https://doi.org/10.46932/sfjdv4n2-007>

Gastaldi, L., Sina, L., Tedaldi, G., & Miragliotta, G. (2021). Companies' adoption of Smart Technologies to achieve structural ambidexterity: an analysis with SEM. *Technological Forecasting and Social Change*, 174(1), 121187.

Gomes, A. O., Alves, S. T., & Silva, J. T. (2018). Effects of investment in information and communication technologies on productivity of courts in Brazil. *Government Information Quarterly*, 35(3), 480–490. <https://doi.org/10.1016/j.giq.2018.06.002>

Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2013). *Multivariate Data Analysis: Pearson New International Edition* (Seventh Ed). Pearson Education Limited.

Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European Business Review*, 31(1), 2–24. <https://doi.org/10.1108/EBR-11-2018-0203>

Horlacher, A., & Hess, T. (2016). What Does a Chief Digital Officer Do? Managerial Tasks and Roles of a New C-level Position in the Context of Digital Transformation. *49th Hawaii International Conference on System Sciences*, 5126–5135. <https://doi.org/10.1109/HICSS.2016.634>

Hu, B., & Chen, W. (2016). Business model ambidexterity and technological innovation performance: evidence from China. *Technology Analysis & Strategic Management*, 28(5), 583–600. <https://doi.org/10.1080/09537325.2015.1122186>

- Jafari-Sadeghi, V., Garcia-Perez, A., Candelo, E., & Couturier, J. (2021). Exploring the impact of digital transformation on technology entrepreneurship and technological market expansion: The role of technology readiness, exploration and exploitation. *Journal of Business Research*, 124, 100–111. <https://doi.org/10.1016/j.jbusres.2020.11.020>
- Ji, P., Yan, X., & Yu, G. (2020). The impact of information technology investment on enterprise financial performance in China. *Chinese Management Studies*, 14(3), 529–542. <https://doi.org/10.1108/CMS-04-2019-0123>
- Jin, X., Lei, X., & Wu, W. (2023). Can digital investment improve corporate environmental performance? Empirical evidence from China. *Journal of Cleaner Production*, 414, 137669.
- Junni, P., Sarala, R. M., Taras, V., & Tarba, S. Y. (2013). Organizational Ambidexterity and Performance: A Meta-Analysis. *The Academy of Management Perspectives*, 27(4), 299–312.
- Kafetzopoulos, D. (2021). Organizational ambidexterity: antecedents, performance and environmental uncertainty. *Business Process Management Journal*, 27(3), 922–940. <https://doi.org/10.1108/BPMJ-06-2020-0300>
- Karhade, P. P., & Dong, J. Q. (2020). Information Technology Investment and Commercialized Innovation Performance: Dynamic Adjustment Costs and Curvilinear Impacts. *MIS Quarterly*, 45, 1–40.
- Lakhwani, M., Dastane, O., Satar, N. S. M., & Johari, Z. (2020). The Impact of Technology Adoption on Organizational Productivity. *Journal of Industrial Distribution & Business*, 11(4), 7–18. <https://doi.org/10.13106/jidb.2020.vol11.no4.7>
- Lee, M., Yun, J. J., Pyka, A., Won, D., Kodama, F., Schiuma, G., Park, H., Jeon, J., Id, K. P., Jung, K., Yan, M.-R., Lee, S., & Zhao, X. (2018). How to Respond to the Fourth Industrial Revolution, or the Second Information Technology Revolution? Dynamic New Combinations between Technology, Market, and Society through Open Innovation. *Journal of Open Innovation: Technology, Market, and Complexity Article*, 4(21), 1–24. <https://doi.org/10.3390/joitmc4030021>
- Leipzig, T. von, Gamp, M., Manz, D., Schöttle, K., Ohlhausen, P., Oosthuizen, G., Palm, D., & Leipzig, K. von. (2017). Initialising customer - orientated digital transformation in enterprises. *Procedia Manufacturing*, 8, 517–524. <https://doi.org/10.1016/j.promfg.2017.02.066>
- Li, F. (2020). The digital transformation of business models in the creative industries: A holistic framework and emerging trends. *Technovation*, 92, 1–10. <https://doi.org/10.1016/j.technovation.2017.12.004>
- Mardi, M., Arief, M., Furinto, A., & Kumaradjaja, R. (2018). Sustaining Organizational Performance Through Organizational Ambidexterity by Adapting Social Technology. *Journal of the Knowledge Economy*, 9(3), 1049–1066. <https://doi.org/10.1007/s13132-016-0385-5>
- Menguc, B., & Auh, S. (2008). The asymmetric moderating role of market orientation on the ambidexterity - firm performance relationship for prospectors and defenders. *Industrial Marketing Management*, 37, 455–470. <https://doi.org/10.1016/j.indmarman.2007.05.002>
- Mutende, E. A., Mwangi, M., Njihia, J. M., & Ochieng, D. E. (2017). The moderating role of firm characteristics on the relationship between free cash flows and financial performance of firms listed at the Nairobi securities exchange. *Journal of Finance and Investment Analysis*, 6(4), 55–74.
- Niraula, P., & Kautish, S. (2019). Study of The Digital Transformation Adoption in The Insurance Sector of Nepal. *LBEF Research Journal of Science, Technology and Management*, 1(1), 43–60.
- Nosella, A., Cantarello, S., & Filippina, R. (2012). The intellectual structure of organizational ambidexterity: A bibliographic investigation into the state of the art. *Strategic Organization*, 10(4),



450–465. <https://doi.org/10.1177/1476127012457979>

Nwankpa, J. K., & Datta, P. (2017). Balancing exploration and exploitation of IT resources: The influence of Digital Business Intensity on perceived organizational performance. *European Journal of Information Systems*, 26(5), 469–488. <https://doi.org/10.1057/s41303-017-0049-y>

Nwankpa, J. K., & Merhout, J. W. (2020). Exploring the Effect of Digital Investment on IT Innovation. *Sustainability*, 12, 1–26.

Nwankpa, J. K., & Roumani, Y. (2016). INwankpa, J. K., & Roumani, Y. (2016). IT Capability and Digital Transformation: A Firm Performance Perspective. *International Conference on Information Systems*, 1–16. T Capability and Digital Transformation: A Firm Performance Perspective. *International Conference on Information Systems*, 1–16.

Nwankpa, J. K., Roumani, Y., & Datta, P. (2021). Process innovation in the digital age of business: the role of digital business intensity and knowledge management. *Journal of Knowledge Management*, 25, 1–23. <https://doi.org/10.1108/JKM-04-2021-0277>

Nwankpa, J., & Roumani, Y. (2018). Relationship between Digital Business Intensity and Process Innovation: An Empirical Examination. *AMCIS Proceedings*, 15.

O'Reilly, C. A., & Tushman, M. L. (2013). Organizational Ambidexterity: Past, Present, and Future. *The Academy of Management Perspectives*, 27(4), 324–338.

Pan, S. L., & Zhang, S. (2020). From fighting COVID-19 pandemic to tackling sustainable development goals: An opportunity for responsible information systems research. *International Journal of Information Management*, 55, 1–6. <https://doi.org/10.1016/j.ijinfomgt.2020.102196>

Park, Y., Pavlou, P. A., & Saraf, N. (2020). Configurations for Achieving Organizational Ambidexterity with Digitization. *Information Systems Research*, 31(4), 1376–1397.

Peng, M. Y.-P., Lin, K.-H., Peng, D. L., & Chen, P. (2019). Linking Organizational Ambidexterity and Performance: The Drivers of Sustainability in High-Tech Firms. *Sustainability*, 11, 1–17.

Pertusa-Ortega, E. M., & Molina-Azorín, J. F. (2018). A joint analysis of determinants and performance consequence of ambidexterity. *Business Research Quarterly*, 21, 84–98. <https://doi.org/10.1016/j.brq.2018.03.001>

Prabowo, A. (2020). *Siaran Pers: Industri Asuransi Tumbuh Positif*. Otoritas Jasa Keuangan.

Raisch, S., Birkinshaw, J., Probst, G., & Tushman, M. L. (2009). Organizational ambidexterity: Balancing exploitation and exploration for sustained performance. *Organization Science*, 20(4), 685–695. <https://doi.org/10.1287/orsc.1090.0428>

Rosing, K., & Zacher, H. (2016). Individual ambidexterity: the duality of exploration and exploitation and its relationship with innovative performance. *European Journal of Work and Organizational Psychology*, 26(5), 694–709. <https://doi.org/10.1080/1359432X.2016.1238358>

Sabuhari, R., Sudiro, A., Irawanto, D. W., & Rahayu, M. (2020). The effects of human resource flexibility, employee competency, organizational culture adaptation and job satisfaction on employee performance. *Management Science Letters*, 10, 1777–1786. <https://doi.org/10.5267/j.msl.2020.1.001>

Saeidi, P., Saeidi, S. P., Sofian, S., Saeidi, S. P., Nilashi, M., & Mardani, A. (2018). The impact of enterprise risk management on competitive advantage by moderating role of information technology. *Computer Standards & Interfaces*, 63, 67–82. <https://doi.org/10.1016/j.csi.2018.11.009>

Sarmiento, M., Simões, C., & Lages, L. F. (2024). From organizational ambidexterity to organizational performance: The mediating role of value co-creation. *Industrial Marketing Management*, 118, 175–

188.

Schaarschmidt, M., & Bertram, M. (2019). Digital Business Intensity and Constructive Process Deviance: A Study of Reactions to Digitisation-Focused Process Innovation. *International Journal of Innovation Management*, 24(07), 1–30. <https://doi.org/10.1142/S1363919620500656>

Schnellbacher, B., Heidenreich, S., & Wald, A. (2019). Antecedents and effects of individual ambidexterity - A cross-level investigation of exploration and exploitation activities at the employee level. *European Management Journal*, 37, 442–454. <https://doi.org/10.1016/j.emj.2019.02.002>

Scholz, R. W., Czichos, R., Parycek, P., & Lampoltshammer, T. J. (2020). Organizational vulnerability of digital threats: A first validation of an assessment method. *European Journal of Operational Research*, 282(2), 627–643. <https://doi.org/10.1016/j.ejor.2019.09.020>

Schwepker, C. H., & Good, M. C. (2017). Reducing salesperson job stress and unethical intent: The influence of leader-member exchange relationship, socialization and ethical ambiguity. *Industrial Marketing Management*, 66, 1–14. <https://doi.org/10.1016/j.indmarman.2017.08.008>

Schwertner, K. (2017). Digital Transformation of Business. *Trakia Journal of Sciences*, 15, 388–393. <https://doi.org/10.15547/tjs.2017.s.01.065>

Scuotto, V., Arrigo, E., Candelo, E., & Nicotra, M. (2020). Ambidextrous innovation orientation effected by the digital transformation A quantitative research on fashion SMEs. *Business Process Management Journal*, 26(5), 1121–1140. <https://doi.org/10.1108/BPMJ-03-2019-0135>

Severgnini, E., Vieira, V. A., & Galdamez, E. V. C. (2018). The indirect effects of performance measurement system and organizational ambidexterity on performance. *Business Process Management Journal*, 24(5), 1176–1199. <https://doi.org/10.1108/BPMJ-06-2017-0159>

Shevchuk, O., Kondrat, I., & Stanienda, J. (2021). Pandemic as an accelerator of digital transformation in the insurance industry: evidence from Ukraine. *Insurance Markets and Companies*, 11(1), 30–41. [https://doi.org/10.21511/ins.11\(1\).2020.04](https://doi.org/10.21511/ins.11(1).2020.04)

Stanciu, A.-C., Constandache, M., & Condrea, E. (2014). Concerns about the Sustainable Performance of Firm in the Context of Quality Management Systems Implementation. *Procedia - Social and Behavioral Sciences*, 131, 340–344. <https://doi.org/10.1016/j.sbspro.2014.04.127>

Stores, F., Diah, M. L. M., Abdullah, N. H., & Kadir, Z. A. (2018). The Impact of Information Technology Investment on Firms Performance. *International Journal of Entrepreneurship and Business Development*, 2(1), 43–55.

Stubner, S., Blarr, W. H., & Brands, C. (2012). Organizational Ambidexterity and Family Firm Performance Organizational Ambidexterity and Family Firm Performance. *Journal of Small Business & Entrepreneurship*, 25(2), 217–229. <https://doi.org/10.1080/08276331.2012.10593570>

Tam, K. Y. (2016). The Impact of Information Technology Investments on Firm Performance and Evaluation: Evidence from Newly Industrialized Economies. *Information Systems Research*, 9(1), 85–98.

Tan, B. C. C., Pan, S. L., & Hackney, R. (2010). Strategic Implications of Web Technologies: A Process Model of How Web Technologies Enhance Organizational Performance. *IEEE Transactions on Engineering Management*, 57(2), 181–197.

Trieu, H. D., Van Nguyen, P., Nguyen, T. T., Vu, H. M., & Tran, K. (2023). Information technology capabilities and organizational ambidexterity facilitating organizational resilience and firm performance of SMEs. *Asia Pacific Management Review*, 28(4), 544–555.

Ullah, A., Iqbal, S., & Shams, S. M. R. (2020). Impact of CRM adoption on organizational performance:

Moderating role of technological turbulence. *Competitiveness Review*, 30(1), 59–77. <https://doi.org/10.1108/CR-11-2019-0128>

Venkatraman, S., Cheung, C. M. K., Lee, Z. W. Y., Davis, F. D., & Venkatesh, V. (2018). The “Darth” Side of Technology Use: An Inductively Derived Typology of Cyberdeviance. *Journal of Management Information Systems*, 35(4), 1060–1091. <https://doi.org/10.1080/07421222.2018.1523531>

Vial, G. (2019). Understanding digital transformation: A review and a research agenda. *Journal of Strategic Information Systems*, 28(2), 118–144. <https://doi.org/10.1016/j.jsis.2019.01.003>

Wairimu, J., & Liao, Q. (2019). Digital Business Intensity and Entrepreneurial Alertness in Organizational Learning. *AMCIS Proceedings*, 5.

Westerman, G., Tannou, M., Bonnet, D., Ferraris, P., & McAfee, A. (2012). The Digital Advantage: How Digital Leaders Outperform Their Peers in Every Industry. *MITSloan Management and Capgemini Consulting*, 2, 2–23.

Zhang, J. A., Edgar, F., Geare, A., & Kane, C. O. (2016). The interactive effects of entrepreneurial orientation and capability-based HRM on firm performance: The mediating role of innovation ambidexterity. *Industrial Marketing Management*, 59, 131–143. <https://doi.org/10.1016/j.indmarman.2016.02.018>

Zhang, J., Long, J., & Schaewen, A. M. E. V. (2021). How Does Digital Transformation Improve Organizational Resilience? - Findings from PLS-SEM and fsQCA. *Sustainability*, 13(20), 1–22.