

The Role of Strategic Leadership, Organizational Climate, and Knowledge Management towards Ambidextrous Capability, Digital Innovation, and Firm Performance

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Abstract

In recent years, the global banking sector has faced many challenges in this dynamic environment. The condition has been exacerbated by the prolonged war between Russia and Ukraine, the weakening economy in China, and the impetus for strengthening inflation due to adjustments in the prices of necessities. This led governments worldwide to tighten monetary policy. In this unpredictable environment, a company must be agile and innovative to reconfigure its competitive edge for sustainability. Digitalization is believed to be one of the key components to reconfiguring and developing agility. Only 12% of global banks take digitization seriously while in Indonesia 53% of banks are digitalizing, but few have successfully transformed. Is digital transformation in banking hindered by a lack of forward-thinking leadership, creativity, and expertise, or is it because of organizational conditions? This study investigates whether strategic leadership affects organizational climate, knowledge management, ambidextrous capability, digital innovation, and firm performance. For this purpose, 254 bank executives and employees completed a validated questionnaire. This study finds that strategic leadership improves bank ambidexterity. However, strong strategic leadership has hindered organizational climate and knowledge management in the bank. Despite organizational climate and knowledge management promoting bank digital innovation. This study found that ambidextrous capability is the best path to promote digital innovation and sustainable firm performance. This study suggests that the banking sector should prioritize ambidexterity that fosters digital innovation to ensure a successful digital transformation that sustains the firm performance.

Keywords: Strategic Leadership, Organizational Climate, Knowledge Management, Ambidextrous Capability, Digital Innovation, Firm Performance

What is the Impact of the COVID-19 Pandemic on Financial Performance of Fitness Centers?

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Abstract

Purpose: This study aims to understand the impact of the Covid-19 pandemic on the financial performance of fitness centers in Portugal, for this purpose, financial indicators are compared before and during the pandemic period. With this study we intend to understand if all or just some financial indicators had a negative impact with the pandemic. It is also the purpose of this paper to understand whether the financial performance of fitness centers depended on their size, number of employees and sales volume. **Design/methodology/approach:** The sample was obtained from the Sabi database. The elements for Portugal were: the Economic Activity Code 93130 – Gym activities (fitness) and the entities that had information for the years 2019, 2020 and 2021 on: sales, EBITDA, EBIT, net income, solvency, borrowing, liquidity and number of employees. The sample is 689 entities. **Results and conclusions:** The results obtained showed statistically significant influences on variables such as: dimension and sales volume. There is statistical evidence that financial indicators obtained worse results in the years of the pandemic (2020 and 2021) essentially due to the period in which it was not possible to develop the activity in person.

Keywords: Financial Performance, Covid-19, Fitness Center
