

# Dynamic Capabilities, Organizational Resilience and Organizational Ambidexterity of Manufacturing Firms in Nairobi, Kenya

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Publication Date: 2026/03/17

**Abstract:** This study examined the relationship between dynamic capabilities, organizational resilience, and organizational ambidexterity among manufacturing firms in Nairobi County, Kenya. The study was motivated by the need to understand how firms balance exploration and exploitation in dynamic environments. Specifically, it sought to determine the effect of dynamic capabilities on ambidexterity and the moderating role of organizational resilience. An explanatory research design was adopted, with data collected from 357 firms and analyzed using correlation and regression techniques. The results revealed strong positive relationships between dynamic capabilities and ambidexterity ( $r = .712, p < .01$ ), and between resilience and ambidexterity ( $r = .657, p < .01$ ). Regression analysis showed that dynamic capabilities ( $\beta = .744, p < .001$ ) and organizational resilience ( $\beta = .418, p < .001$ ) significantly influence ambidexterity, explaining 62.3% of the variance ( $R^2 = .623$ ). However, the moderating effect of resilience was not significant ( $\beta = -.033, p > .05$ ). The study concludes that dynamic capabilities are the primary drivers of organizational ambidexterity, while resilience plays a supportive but non-moderating role. It recommends that firms invest in innovation, adaptability, and strategic flexibility to enhance ambidextrous capabilities.

**Keywords:** *Dynamic Capabilities, Organizational Resilience, Organizational Ambidexterity, Manufacturing Firms.*

**How to Cite:** Flora Kisale; Dr. Ambrose Kemboi; Ronald Bonuke (2026) Dynamic Capabilities, Organizational Resilience and Organizational Ambidexterity of Manufacturing Firms in Nairobi, Kenya. *International Journal of Innovative Science and Research Technology*, 11(3), 961-970. <https://doi.org/10.38124/ijisrt/26mar644>

## I. INTRODUCTION

Organizational ambidexterity has emerged as a central construct in strategic management, capturing how firms reconcile competing demands such as stability versus change, efficiency versus flexibility, and most prominently exploitation versus exploration. Building on the foundational work of James G. March (1991), ambidexterity refers to an organization's capacity to simultaneously refine existing capabilities while pursuing new opportunities. Contemporary scholarship continues to affirm that this dual capability is essential for long-term performance and adaptability in dynamic environments (e.g., Tushman & O'Reilly III, 2021; Birkinshaw, 2023).

Exploitation involves efficiency, control, and incremental improvement of existing products, processes, and markets, typically yielding short-term returns. In contrast, exploration emphasizes experimentation, innovation, and risk-taking aimed at developing new knowledge and capabilities, often associated with uncertain but potentially transformative long-term outcomes. Firms that overemphasize exploration risk incurring high costs without

returns, while those focused solely on exploitation may become obsolete. Thus, ambidexterity lies in maintaining a dynamic balance between the two.

Recent studies conceptualize ambidexterity as a dynamic capability that enables firms to sense, seize, and transform in response to environmental changes (Teece, 2023; O'Reilly & Tushman, 2021). It is increasingly viewed through a paradox lens, where organizations are encouraged to embrace rather than resolve tensions between competing demands (Smith & Lewis, 2011; Schad et al., 2019). This perspective highlights the role of leadership cognition and decision-making in managing contradictions, giving rise to the notion of leadership ambidexterity.

Ambidexterity can be operationalized in several forms. Structural ambidexterity involves separating exploratory and exploitative activities into different organizational units, allowing each to operate under distinct processes and cultures. Contextual ambidexterity, on the other hand, enables individuals or teams to balance both activities within the same unit through supportive organizational contexts, including culture, incentives, and leadership (Birkinshaw & Gibson,

2004; Zimmermann *et al.*, 2018). More recent work also emphasizes sequential ambidexterity, where firms alternate between periods of exploration and exploitation over time.

Empirical evidence consistently links organizational ambidexterity to sustained competitive advantage, as it allows firms to compete in both emerging and mature markets simultaneously (O'Reilly & Tushman, 2021; Drnevich *et al.*, 2020). However, achieving ambidexterity remains complex, requiring aligned structures, processes, and managerial capabilities developed over time. Despite significant progress, ongoing research continues to explore how organizations can effectively build and sustain ambidextrous capabilities in increasingly volatile environments.

Dynamic capabilities provide the underlying mechanism through which ambidexterity is developed and sustained. Defined as a firm's ability to integrate, build, and reconfigure internal and external competencies in rapidly changing environments (Teece, 2018; Teece, 2023), dynamic capabilities enable organizations to balance exploration and exploitation by continuously sensing opportunities, seizing them through strategic investments, and transforming existing operations. In this sense, ambidexterity can be viewed as an outcome or manifestation of well-developed dynamic capabilities, where firms effectively align innovation with operational efficiency. Thus, dynamic capabilities not only support ambidexterity but also determine how successfully firms navigate the inherent tensions between short-term performance and long-term renewal.

Organizational resilience is increasingly recognized as a critical capability that enables firms to anticipate, prepare for, respond to, and adapt to disruptions while maintaining continuity and strategic renewal. It reflects an organization's ability not only to withstand shocks but also to recover quickly and leverage turbulence for learning and transformation (Linnenluecke, 2017; Iftikhar *et al.*, 2021). In contemporary contexts, particularly after the COVID-19 disruptions, resilience is further strengthened by digital capabilities and adaptive strategic orientations that enhance flexibility and responsiveness (Ciasullo *et al.*, 2022; Isensee *et al.*, 2023).

While much of the resilience literature has traditionally emphasized internal organizational factors such as structure, resources, and leadership, limited attention has been given to how resilience interacts with higher-order capabilities like organizational ambidexterity (Williams & Shepherd, 2016; Ortiz-de-Mandojana & Bansal, 2016). Scholars increasingly argue for integrative perspectives that explain how resilience supports the simultaneous pursuit of exploration and exploitation (Iftikhar *et al.*, 2021). Emerging evidence suggests that resilience plays a crucial enabling role by allowing firms to absorb shocks without disrupting ongoing operations (exploitation) while still maintaining the flexibility and openness required for innovation and experimentation (exploration) (Liu *et al.*, 2024).

From an ambidexterity perspective, organizational resilience can be viewed as a facilitating mechanism that

sustains the balance between competing strategic activities under conditions of uncertainty. Resilient organizations are better able to manage the inherent tensions of ambidexterity by maintaining operational stability while simultaneously adapting to environmental changes. This is particularly important because ambidexterity requires firms to continuously reconfigure resources without losing efficiency. In turbulent environments, resilience ensures that exploratory initiatives are not abandoned during crises and that exploitative activities remain effective despite disruptions.

In the manufacturing sector, especially within developing economies such as Kenya, firms operate in environments characterized by resource constraints, technological shifts, and market volatility. Under such conditions, achieving ambidexterity is particularly challenging. Although dynamic capabilities support the development of ambidexterity, their effectiveness may depend on the firm's level of resilience (Fitriati *et al.*, 2020; Nedzinskas *et al.*, 2013). However, empirical research examining the moderating role of organizational resilience in the dynamic capabilities–ambidexterity relationship remains limited, particularly in the Kenyan manufacturing context. Addressing this gap, this study examines how organizational resilience enhances the ability of firms to simultaneously pursue exploration and exploitation, thereby strengthening organizational ambidexterity in turbulent environments.

#### ➤ *Objective of the Study*

The objective of this study was to examine the moderating effect of organizational resilience on the relationship between dynamic capabilities and Organizational Ambidexterity among manufacturing firms in Nairobi County, Kenya.

## II. LITERATURE REVIEW AND HYPOTHESES

#### ➤ *Dynamic Capabilities and Organizational Ambidexterity*

Dynamic capabilities (DCs) remain a central construct in strategic management, though the field continues to reflect diverse conceptualizations and ongoing theoretical refinement (Di Stefano *et al.*, 2010). Broadly, DCs refer to a firm's capacity to purposefully create, extend, and reconfigure its resource base in response to environmental change (Helfat & Peteraf, 2009). The seminal definition by Teece, Pisano, and Shuen (1997) conceptualizes DCs as the ability to integrate, build, and reconfigure internal and external competencies in rapidly changing environments. Subsequent scholarship positions DCs as higher-order routines that enable firms to adapt, innovate, and renew themselves over time (Teece, 2007; Winter, 2003).

More recent work advances the sensing–seizing–transforming framework as the micro-foundational basis of dynamic capabilities. Sensing involves identifying and interpreting opportunities and threats in the external environment; seizing refers to mobilizing resources and making strategic investments to capture value; while transforming entails continuous renewal and reconfiguration of organizational assets, structures, and processes (Teece,

2012; Day & Schoemaker, 2016). These processes are deeply shaped by managerial cognition, leadership, and organizational learning, highlighting the critical role of top management in orchestrating capabilities (Ambrosini & Altintas, 2019).

Within this perspective, organizational ambidexterity can be understood as a key outcome and manifestation of dynamic capabilities. Ambidexterity reflects a firm's ability to simultaneously pursue exploration (innovation, experimentation, and new knowledge development) and exploitation (efficiency, refinement, and execution of existing competencies). Dynamic capabilities provide the underlying mechanisms that enable firms to balance these competing demands. Specifically, sensing supports exploratory activities by identifying new opportunities, seizing aligns with both exploratory and exploitative investments, and transforming facilitates the reconfiguration of resources necessary to sustain both activities over time. In this way, DCs operationalize ambidexterity by enabling firms to manage the inherent tensions between alignment and adaptability.

Empirical research increasingly suggests that the relationship between dynamic capabilities and ambidexterity is more direct and theoretically robust than the often inconsistent DC–performance linkage. While earlier studies attempted to link DCs directly to firm performance (Wilden et al., 2013; Zollo & Winter, 2002), more recent reviews argue that their effects are contingent and mediated through intermediate organizational capabilities such as ambidexterity (Baía & Ferreira, 2024; Pezeshkan *et al.*, 2016). This aligns with arguments that DCs are necessary but not sufficient for sustained advantage, as their value depends on how effectively they are deployed to balance exploration and exploitation (Barreto, 2010; Eisenhardt & Martin, 2000).

Consequently, contemporary literature increasingly positions organizational ambidexterity as a critical pathway through which dynamic capabilities translate into strategic outcomes. Rather than viewing DCs as directly generating competitive advantage, scholars emphasize their role in enabling firms to continuously reconfigure resources in ways that support both incremental improvements and radical innovation. This integrative perspective highlights that firms capable of leveraging dynamic capabilities to achieve ambidexterity are better equipped to navigate complex, uncertain environments and sustain long-term strategic renewal.

#### ➤ *Organizational Resilience and Organizational Ambidexterity*

Organizational resilience and organizational ambidexterity have gained increasing attention in strategic management as complementary capabilities that enable firms to navigate uncertainty while sustaining innovation and efficiency. Organizational resilience refers to a firm's capacity to anticipate, absorb, respond to, and adapt to disruptions, ensuring continuity and renewal in turbulent environments (Linnenluecke, 2017; Williams & Shepherd, 2016). In parallel, organizational ambidexterity captures the ability of firms to simultaneously pursue exploration, such as

innovation and experimentation and exploitation, including efficiency and refinement of existing capabilities (O'Reilly & Tushman, 2021).

Recent literature suggests a strong conceptual linkage between resilience and ambidexterity. Resilience provides the stability and adaptive capacity necessary for organizations to maintain exploitative activities during disruptions while still supporting exploratory initiatives (Iftikhar et al., 2021). This dual support is critical because ambidexterity inherently involves managing tensions between competing strategic demands. Without resilience, firms may prioritize short-term survival by focusing solely on exploitation, thereby undermining long-term innovation and adaptability. Conversely, resilient organizations are better positioned to sustain a balance between the two, even under conditions of environmental shock.

Moreover, resilience enhances ambidexterity by enabling organizations to absorb external shocks without significant disruption to internal processes, thereby preserving the organizational slack and flexibility required for exploration (Ortiz-de-Mandojana & Bansal, 2016). Emerging empirical evidence indicates that resilient firms are more capable of reconfiguring resources and maintaining strategic alignment, which supports the simultaneous pursuit of incremental and radical innovation (Liu et al., 2024). This aligns with the growing view that resilience acts as an enabling condition that strengthens the effectiveness of ambidextrous strategies.

Despite these insights, empirical research explicitly examining the resilience–ambidexterity relationship remains limited, particularly in developing economies. Existing studies often treat resilience and ambidexterity as separate constructs, overlooking their potential interaction. Consequently, there is a need for more integrative research to understand how resilience fosters ambidexterity and how this relationship influences organizational adaptability in dynamic and uncertain environments.

#### ➤ *Nexus of Organizational Resilience, Dynamic Capabilities, and Organizational Ambidexterity*

The nexus of organizational resilience, dynamic capabilities, and organizational ambidexterity has become an important area of inquiry in strategic management, particularly in understanding how firms navigate complex and turbulent environments. Dynamic capabilities (DCs) refer to a firm's ability to sense opportunities, seize them, and reconfigure resources accordingly (Teece, 2007), while organizational ambidexterity reflects the capacity to simultaneously pursue exploration and exploitation (O'Reilly & Tushman, 2021). Organizational resilience, on the other hand, enables firms to absorb shocks, adapt to disruptions, and sustain operations under uncertainty (Linnenluecke, 2017). Together, these constructs form an interrelated framework that explains how firms achieve adaptability and long-term renewal.

Extant literature suggests that dynamic capabilities serve as the foundational mechanism through which

ambidexterity is achieved. Through sensing, firms identify new opportunities for exploration; through seizing, they allocate resources across both exploratory and exploitative activities; and through transforming, they continuously realign structures to sustain this balance (Teece, 2012). However, the effectiveness of these processes is often contingent on the organization's level of resilience. Without resilience, external shocks may disrupt capability deployment, limiting the firm's ability to maintain ambidextrous strategies.

Organizational resilience strengthens this nexus by acting as an enabling and stabilizing force. It allows firms to maintain operational continuity while simultaneously engaging in adaptive and innovative activities, thereby reinforcing ambidexterity (Iftikhar et al., 2021). Resilient organizations are better able to absorb environmental shocks without abandoning long-term exploratory initiatives, ensuring that dynamic capabilities remain functional during periods of disruption (Williams & Shepherd, 2016). In this sense, resilience moderates the relationship between dynamic capabilities and ambidexterity by enhancing a firm's capacity to sustain both exploitation and exploration under uncertainty.

Emerging empirical studies further suggest that the integration of these three constructs creates a synergistic effect, where resilience supports the effective deployment of dynamic capabilities, which in turn facilitates ambidexterity (Liu et al., 2024). Despite this, the combined examination of these variables remains limited, particularly in developing economies. As such, there is a need for more integrative and context-specific research to better understand how resilience and dynamic capabilities jointly shape organizational ambidexterity in dynamic environments., hence the following hypotheses derived for the study;

- H<sub>01</sub>: Dynamic capabilities has no significant effect on Organizational Ambidexterity of manufacturing firms in Nairobi County, Kenya.
- H<sub>02</sub>: Organizational resilience has no significant moderating effect on the dynamic capabilities and Organizational Ambidexterity of manufacturing firms in Nairobi County, Kenya.

#### ➤ *Theoretical Review - Dynamic Capabilities Theory & Resource-Based View*

The present study is grounded in both Dynamic Capabilities Theory (DCT) and the Resource-Based View (RBV), which together provide a robust theoretical foundation for explaining how firms achieve organizational ambidexterity under conditions of uncertainty. The RBV posits that firms attain sustained competitive advantage through valuable, rare, inimitable, and non-substitutable (VRIN) resources (Barney, 1991). From this perspective, organizational capabilities such as knowledge, routines, and managerial skills are strategic assets that underpin both exploitative efficiency and exploratory innovation. However, RBV has been criticized for its static orientation, as it does

not sufficiently explain how firms adapt their resource base in dynamic environments (Eisenhardt & Martin, 2000).

Dynamic Capabilities Theory extends RBV by addressing this limitation, emphasizing a firm's ability to integrate, build, and reconfigure internal and external competencies in response to environmental change (Teece et al., 1997). Through the processes of sensing, seizing, and transforming, dynamic capabilities enable firms to continuously renew their resource base and align it with shifting market conditions (Teece, 2007; Teece, 2012). This adaptive capacity is essential for supporting organizational ambidexterity, as firms must simultaneously exploit existing resources while exploring new opportunities.

Importantly, the integration of DCT and RBV provides a comprehensive explanation of the study variables. While RBV explains the value of existing resources in driving exploitative activities, DCT explains how firms reconfigure these resources to support exploration and innovation. Organizational resilience further complements these theories by enabling firms to sustain capability deployment and resource reconfiguration during periods of disruption (Linnenluecke, 2017). Thus, the combined application of RBV and DCT offers a coherent framework for understanding how firms leverage resources and capabilities to achieve and sustain organizational ambidexterity in turbulent environment.

### III. METHODOLOGY

#### ➤ *Research Design and Population*

This study employed an explanatory research design, which is well-suited for analyzing relationships among variables and establishing cause-effect linkages. The design enabled the study to examine how the independent variable influences the dependent variable while providing a systematic explanation of the interactions among the study constructs (Hair et al., 2013; Cooper & Schindler, 2006). The study was conducted in Nairobi County, focusing on private manufacturing firms affiliated with the Kenya Association of Manufacturers (KAM). The manufacturing sector was deliberately selected due to its strategic importance and dynamic operating environment, while other sectors were excluded to enhance contextual relevance and analytical precision. The target population consisted of 6,038 manufacturing firms, as reported by the Kenya National Bureau of Statistics (2025), and is summarized in Table 1 below.

Table 1 Classification of Manufacturing Firms in Nairobi City County

| Classification           | Number of employees | Percentage of enterprises | Number of enterprises |
|--------------------------|---------------------|---------------------------|-----------------------|
| Micro – enterprises      | 1 – 9               | 64.40                     | 3,888                 |
| Small-scale enterprises  | 10 – 49             | 19.0                      | 1,147                 |
| Medium-scale enterprises | 50 – 149            | 9.60                      | 580                   |
| Large-scale enterprises  | More than 150       | 7.0                       | 423                   |
| <b>Total</b>             |                     | <b>100</b>                | <b>6,038</b>          |

Source: KNBS (2025)

➤ *Sample Size and Data*

From the target population of 6038, a total sample size of 375 respondents was selected. Taro Yamane (1973) sample size formula and modified by Singh & Masuku (2014) was used to select a sample size of 375 respondents. This was considered satisfactory for the explanatory research design. The confidence level was set at 95%, and correspondingly the accepted margin of error was set at ±5% (Teigen, & Jorgensen, 2005).

$$n = \frac{N}{1 + N_e^2}$$

Where:

n = Sample size

N = Population size

e = the error of Sampling

$$\frac{6038}{1+6038(0.05)^2} = 375$$

➤ *Model Specification*

The study examined whether firm resilience moderates the relationship between dynamic capabilities (DC) and Organizational Ambidexterity (OA) in manufacturing firms in Kenya. Generally, a moderator (OR) is a third variable that adjusts the causal relationship between independent and dependent variables (Rose *et al.*, 2004; Baron & Kenny, 1986) The study used the moderated hierarchical regression approach where a moderator variable is computed as a product of two variables i.e. a moderator and independent variable (Aiken & West, 1991) as illustrated in figure 1 below:

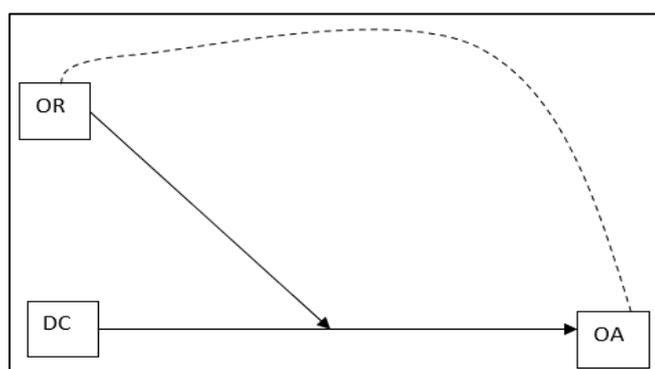


Fig 1 Hierarchical Regression Model

➤ *Limitation*

One limitation of this study is that data were collected using a structured questionnaire, which relies on self-reported responses that may be subject to social desirability bias and common method variance. Additionally, the study focused only on manufacturing firms in Nairobi County that are members of KAM, which may restrict the generalizability of the findings to other sectors or regions. Finally, the use of quantitative methods alone may have constrained deeper contextual insights that could have been captured through qualitative approaches.

IV. FINDINGS

➤ *Descriptive Statistics for Dynamic Capabilities*

Dynamic capabilities are a firm’s ability to integrate, build, and reconfigure competencies in changing environments (Teece *et al.*, 1997). Table 2 below presents descriptive statistics for the independent variable (dynamic capabilities). The results indicate that firms moderately agreed they continuously invest in research and development to identify new technologies and market opportunities (mean = 3.366, SD = 1.00). Respondents also agreed that firms monitor and understand current and future market, supplier, and competitor demands (mean = 3.588, SD = .963) and effectively manage market change and uncertainty (mean = 3.647, SD = .953). However, respondents were relatively undecided regarding their firms’ capacity to create and redesign business plans (mean = 3.274, SD = .929). Other capabilities scored moderately high, including clarity of value proposition (mean = 3.593, SD = .900), value chain knowledge (mean = 3.577, SD = .952), flexibility (mean = 3.635, SD = 1.014), external partnership opportunities (mean = 3.540, SD = .903), knowledge integration with partners (mean = 3.717, SD = .988), and protection of intellectual property (mean = 3.690, SD = .929). Overall, the data were negatively skewed but approximated normal distribution.

Table 2 Descriptive Statistics for Dynamic Capabilities

| Questions  | Mean  | Std. Deviation | Skewness | Kurtosis |
|--|-------|----------------|----------|----------|
| Our firm is constantly investing in research and development activities to identify new                      | 3.366 | 1.00131        | -.635    | .104     |
| Our company monitors and understands the current (future) demands of the market, suppliers, and competitors. | 3.588 | .90639         | -.117    | -.255    |
| Our enterprise tends to deal very well with market change and uncertainty.                                   | 3.647 | .95331         | -.612    | .460     |
| Our company has a great capacity to create, adjust and, when necessary, redesign our business plan           | 3.274 | .92878         | -.170    | .177     |
| Our business plan makes it clear what our value proposal is and how it is articulated.                       | 3.593 | .89960         | -.505    | .363     |
| Our firm has a profound knowledge of the value chain through which we reach our customers.                   | 3.577 | .95272         | -.379    | -.236    |
| Our firm is flexible.  | 3.635 | 1.01486        | -.552    | -.089    |
| Our business constantly identifies opportunities for partnerships with external organizations.               | 3.543 | .90345         | -.349    | .215     |
| Our firm has a strong ability to integrate knowledge and know-how with external partners.                    | 3.717 | .98792         | -.464    | -.047    |
| Our business manages and monitors ways of protecting our secrets and our intellectual property               | 3.694 | .92061         | -.443    | .178     |
| <b>Valid N (listwise) 357</b>  |       |                |          |          |

Source: (Researcher 2025)

➤ *Descriptive Statistics for Organization Resilience*

Organizational resilience is a firm’s capacity to anticipate, adapt, and recover from disruptions (Linnenluecke, 2017). In this study, organizational resilience was measured using 12 items on a five-point Likert scale, and the results indicated an approximately normal distribution. Respondents generally agreed that their firms swiftly adapt to regulatory changes (mean = 3.782, SD = .979), frequently adopt new technologies and skills to remain competitive (mean = 3.521, SD = 1.029), and take timely action when required (mean = 3.555, SD = 1.008). Firms were also reported to respond quickly to customer needs (mean = 3.616,

SD = .946) and competitors’ product launches (mean = 3.358, SD = .995).

Moderate agreement was observed on technology adoption for improved service delivery (mean = 3.451, SD = .957), product innovation (mean = 3.437, SD = .950), product modification (mean = 3.434, SD = .994), and proactive action under environmental change (mean = 3.333, SD = 1.043). Respondents were relatively undecided regarding frequent adoption of new marketing techniques (mean = 3.313, SD = .981). Overall, the data were negatively skewed but sufficiently normal, supporting subsequent factor analysis.

Table 3 Descriptive Statistics for Organization Resilience

| Questions  | Mean   | Std. Deviation | Skewness | Kurtosis |
|--|--------|----------------|----------|----------|
| Our company frequently adopts new marketing techniques as changes occur.   | 3.3137 | .98138         | -.447    | .079     |
| Our company frequently introduces new products so as to satisfy the customer’s changing needs.                   | 3.4370 | .95080         | -.439    | -.124    |
| Our company frequently modifies our products to cope with changes in the environment.                            | 3.4342 | .99395         | -.317    | -.367    |
| Our company frequently adopts new technologies and skills to be as par with our competitors.                     | 3.5210 | 1.02920        | -.476    | -.304    |
| We rapidly take action as changes occur in the environment.  | 3.3333 | 1.04308        | -.298    | -.304    |
| We develop alternatives in order to benefit from negative circumstances.   | 3.4650 | .94037         | -.520    | .085     |
| Our firm is quick in taking required action when needed.   | 3.5546 | 1.00865        | -.505    | .013     |
| We quickly react to new products launched by competitors.  | 3.5378 | .99541         | -.432    | -.145    |
| Our firm quickly switches suppliers to take advantage of lower costs, better quality or improved delivery items. | 3.4510 | .95751         | -.352    | .044     |
| We quickly respond to customers’ needs.  | 3.6162 | .94576         | -.568    | .190     |
| Our organization quickly adopts new technologies to deliver better, faster and cheaper services.                 | 3.6275 | .92020         | -.564    | .294     |
| We swiftly adapt to changes due to new regulations.  | 3.7815 | .97865         | -.635    | .049     |
| <b>Valid N (listwise) 357</b>  |        |                |          |          |

Source: (Researcher 2025)

➤ *Descriptive Statistics for Organizational Ambidexterity*

Organizational ambidexterity is a firm’s ability to simultaneously pursue exploration (innovation) and exploitation (efficiency) to achieve sustained adaptability and performance. The descriptive results indicate a relatively high level of organizational ambidexterity among the firms, reflecting engagement in both exploratory and exploitative activities. Respondents reported moderate to strong agreement across all items, with mean scores ranging from (mean = 3.52, SD = .959) for searching and approaching new clients, to (mean = 3.99, SD = .932) for maintaining and

expanding existing markets. Exploratory practices such as commercializing new products (mean = 3.87, SD = .993) and identifying new market opportunities (mean = 3.90, SD = .946) were strongly supported. Similarly, exploitative activities like refining product quality (mean = 3.83, SD = 1.015) and expanding services to existing clients (mean = 3.91, SD = .963) were also prominent. Overall, the results demonstrate that firms are effectively balancing innovation with efficiency, a key indicator of organizational ambidexterity.

Table 4 Descriptive Statistics for Organization Resilience

|   | Mean   | Std. Deviation | Skewness | Kurtosis |
|---|--------|----------------|----------|----------|
| We regularly search for and approach new clients in new market                      | 3.5210 | .95854         | -.532    | .082     |
| We commercialize products and services that are completely new to our unit          | 3.8683 | .99269         | -.721    | .178     |
| we regularly search for new markets and grasp new opportunities in new markets      | 3.8992 | .94567         | -.539    | -.248    |
| we are frequently committed to refine the quality of existing products and services | 3.8291 | 1.01475        | -.690    | -.003    |
| we are regularly committed to expand services for existing clients                  | 3.9132 | .96324         | -.603    | -.318    |
| we always try our best to keep and even expand the existing markets                 | 3.9860 | .93155         | -.727    | .195     |
| Valid N (listwise) 357  |        |                |          |          |

Source: (Researcher 2025)

➤ *Correlation Matrix*

The correlation results indicate strong and statistically significant positive relationships among the study variables. Dynamic capabilities show a strong positive relationship with organizational ambidexterity ( $r = .712, p < .01$ ), implying that such capabilities support the simultaneous pursuit of

exploration and exploitation. Similarly, organizational resilience is also positively associated with ambidexterity ( $r = .657, p < .01$ ), indicating that resilient firms are better able to balance competing strategic demands. Thus, the findings confirmed that these constructs are closely interrelated and mutually reinforcing.

Table 5 Correlation Matrix

| Variables                  | Dynamic capabilities | Organization resilience | Organization ambidexterity |
|----------------------------|----------------------|-------------------------|----------------------------|
| Dynamic capabilities       | 1                    | .                       | .                          |
| Organization resilience    | .806**               | 1                       | .                          |
| Organization ambidexterity | .712**               | .657**                  | 1                          |

\*\**. Correlation is significant at the 0.01 level (2-tailed).*

Source: (Researcher 2025)

➤ *Direct Effect (Multivariate Regression Model)*

The direct regression results indicated that both dynamic capabilities and organizational resilience significantly and positively influence organizational ambidexterity. Dynamic capabilities exhibit a strong positive effect ( $\beta = .744, t = 19.857, p < .001$ ), indicating that firms with stronger capability reconfiguration and market responsiveness achieve higher ambidexterity. Organizational resilience also shows a significant positive effect ( $\beta = .418, t = 7.219, p < .001$ ),

suggesting that adaptability and agility enhance organizational ambidexterity. The model explains a substantial proportion of variance in organizational ambidexterity ( $R^2 = .623$ ; Adj.  $R^2 = .617$ ) and is statistically significant ( $F = 115.923, p < .001$ ). Overall, the findings confirmed that both dynamic capabilities and organizational resilience play critical role in enhancing organizational ambidexterity.

Table 6 Direct Multivariate Regression Model

| Variables                       | Model 1            |
|---------------------------------|--------------------|
|                                 | Coeff. ( $\beta$ ) |
| Constant                        | 3.720e-15          |
| Dynamic Capability (DC)         | .744(19.857)***    |
| Organizational Resilience (OR)  | .418(7.219)***     |
| Organization ambidexterity (OA) | 100(1.936)*        |
| $R^2$                           | .623               |
| Adj. $R^2$                      | .617               |

|              |         |
|--------------|---------|
| F- statistic | 115.923 |
| P>F          | .000    |

\*\*\* -Significance of 1%  
Source: (Researcher 2025)

➤ *Moderation Analysis*

The moderation analysis results show that the overall model is statistically significant ( $F = 105.334, p < .001$ ) and explains a substantial proportion of variance in organizational ambidexterity ( $R^2 = .600$ ), indicating strong explanatory power. Dynamic capabilities have a significant positive effect on ambidexterity ( $\beta = .467, t = 8.267, p < .001$ ), suggesting that firms with stronger capabilities are better able to balance exploration and exploitation. Similarly, organizational resilience also shows a significant positive effect ( $\beta = .236, p < .001$ ), implying that resilience enhances ambidextrous practices. However, the interaction term between dynamic capabilities and organizational resilience is not statistically significant ( $\beta = -.033, t = .959, p > .05$ ). This indicates that organizational resilience does not significantly moderate the relationship between dynamic capabilities and ambidexterity. Thus, both variables independently influence ambidexterity, but their combined interactive effect is not supported.

➤ *Hypothesis Testing Results*

The hypothesis testing results provide clear evidence on the relationships among the study variables. For H01, the results show that dynamic capabilities have a positive and statistically significant effect ( $\beta = .467, p < .001$ ). This leads to the rejection of the null hypothesis, indicating that dynamic capabilities play a critical role in enhancing firm performance (or organizational ambidexterity, depending on the study focus). For H02, the interaction term between dynamic capabilities and organizational resilience is not statistically significant ( $\beta = -.033, p > .05$ ). Therefore, the null hypothesis is accepted, implying that organizational resilience does not significantly moderate the relationship between dynamic capabilities and firm performance. Thus, the findings suggest that while dynamic capabilities directly influence outcomes, organizational resilience does not strengthen or weaken this relationship, but may still have an independent effect.

Table 7 Moderation Results

| Variables                     | Organizational ambidexterity<br>Coef. (t) |
|-------------------------------|---|
| Constant                      | .3.298(-8.109)                            |
| Dynamic capabilities (X)      | .467*** (8.267)                           |
| Organizational resilience (Z) | .236***(.3942)                            |
| Interaction (X*Z)             | -.033(.959)                               |
| R <sup>2</sup> = .600         |   |
| R <sup>2</sup> change= .600   |   |
| F=105.334                     |   |
| P= .000                       |   |

Source: (Researcher 2025)

Table 8 Hypotheses Results

| Hypothesis      | Statement  | Result                   | Decision |
|-----------------|--|--------------------------|----------|
| H <sub>01</sub> | Dynamic capabilities have no significant effect on firm performance  | $\beta = .467, p < .001$ | Rejected |
| H <sub>02</sub> | Organizational resilience has no significant moderating effect on relationship between dynamic capabilities and firm performance | $\beta = -.033, p > .05$ | Accepted |

Source: (Researcher 2025)

V. CONCLUSION

The findings of the study provide strong evidence on the role of dynamic capabilities and organizational resilience in enhancing organizational ambidexterity. Descriptive results indicate that firms moderately exhibit dynamic capabilities and resilience, while demonstrating relatively high levels of ambidextrous practices, suggesting an active balance between exploration and exploitation. Correlation analysis further confirms that the variables are positively and significantly related, implying that improvements in dynamic capabilities and resilience are associated with higher ambidexterity.

Regression results reinforce these relationships, showing that both dynamic capabilities and organizational resilience significantly and positively influence organizational ambidexterity, with dynamic capabilities

exerting a stronger effect. This highlights the importance of firms' ability to sense, seize, and reconfigure resources in achieving ambidextrous outcomes. However, moderation analysis reveals that organizational resilience does not significantly alter the relationship between dynamic capabilities and ambidexterity, although it independently contributes to ambidextrous performance. Overall, the study concludes that while both capabilities are critical, dynamic capabilities remain the primary driver of organizational ambidexterity.

RECOMMENDATIONS

Based on the study findings, several recommendations can be made to enhance organizational ambidexterity. First, firms should strengthen their dynamic capabilities by investing in continuous market sensing, innovation, and

resource reconfiguration. This includes increasing investment in research and development, improving strategic flexibility, and enhancing the ability to integrate knowledge from external partners, as these were shown to significantly drive ambidexterity.

Second, organizations should build and sustain organizational resilience by improving their responsiveness to environmental changes, adopting new technologies, and developing adaptive strategies. Although resilience did not significantly moderate the relationship, its direct positive effect suggests it remains essential for maintaining stability and supporting ambidextrous activities.

Third, management should focus on leadership development and decision-making capabilities that support both exploration and exploitation simultaneously. Creating supportive organizational structures and cultures that encourage innovation while maintaining operational efficiency will further strengthen ambidexterity.

Finally, policymakers and industry stakeholders, particularly in the manufacturing sector, should support firms through capacity-building programs and innovation incentives to enhance both dynamic capabilities and resilience, thereby improving competitiveness in turbulent environments.

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