

Digital Leadership Capability and Organizational Performance in a Platform Firm: Evidence from Grab Company

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ABSTRACT

This study investigates the role of digital leadership capability as a critical mediating mechanism that strengthens the relationship between digital technologies and organizational performance. Drawing on the dynamic capability's perspective, this study argues that leaders' ability to strategically sense, seize, and reconfigure digital resources determines the extent to which digital technologies generate performance gains. Survey data were collected from 150 managerial-level employees of Grab Company, a leading digital platform firm in Southeast Asia, and analysed using Partial Least Squares Structural Equation Modeling (PLS-SEM). The findings indicate that digital technologies have a significant positive effect on organizational performance. More importantly, digital leadership capability significantly moderates this relationship, amplifying the performance outcomes of digital initiatives. This study contributes to the digital transformation literature by highlighting digital leadership capability as a critical boundary condition in platform-based organizations.

ABSTRAK

Penelitian ini mengkaji peran kapabilitas kepemimpinan digital sebagai mekanisme moderasi yang memperkuat hubungan antara teknologi digital dan kinerja organisasi. Berlandaskan perspektif kapabilitas dinamis teori, studi ini menekankan bahwa kemampuan pemimpin dalam sensing, seizing, dan reconfiguring sumber daya digital menentukan optimalisasi kinerja. Data dikumpulkan dari 150 manajer di Grab, perusahaan platform digital terkemuka di Asia Tenggara, dan dianalisis menggunakan PLS-SEM. Hasil menunjukkan bahwa teknologi digital berpengaruh positif signifikan terhadap kinerja organisasi, serta semakin diperkuat oleh kapabilitas kepemimpinan digital. Temuan ini menegaskan peran kepemimpinan digital sebagai *boundary condition* penting dalam organisasi berbasis platform.



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1. INTRODUCTION

The rapid advancement of digital technologies has fundamentally transformed how organizations operate, compete, and create value. Technologies such as artificial intelligence, big data analytics, cloud computing, and digital platforms have become central to organizational strategies, particularly within platform-based companies operating in highly dynamic environments (Pemer & Werr, 2023). Firms increasingly rely on digital technologies to enhance operational efficiency, improve service quality, and sustain competitive advantage in volatile markets (Al Issa & Omar, 2024). As a result, digital transformation is no longer considered a technological initiative but a strategic imperative that reshapes organizational performance outcomes (Ratna et al., 2024). However, accumulating evidence suggests that investments in digital technologies do not automatically translate into superior organizational performance, indicating the importance of organizational capabilities that enable firms to leverage these technologies effectively.

Platform-based organizations such as Grab Company exemplify the pervasive integration of digital technologies into core business processes (Fu et al., 2024). Operating across transportation, delivery, and financial services, Grab leverages data-driven algorithms, mobile technologies, and digital infrastructures to coordinate complex service ecosystems (Gianni et al., 2025). Despite substantial investments in digital technologies, however, organizations often

experience heterogeneous performance outcomes. While some firms successfully translate digital initiatives into superior performance, others struggle to realize tangible benefits, suggesting that digital technologies alone are insufficient to guarantee performance improvements (Gledson et al., 2024).

Prior research examining the relationship between digital technologies and organizational performance has produced mixed findings. Several studies report positive effects of digitalization on productivity, agility, and financial outcomes (Ren & Lin, 2024). Conversely, other studies highlight challenges such as capability misalignment, organizational inertia, and managerial complexity that may dilute the performance impact of digital investments (Luo et al., 2025). These inconsistencies indicate the presence of boundary conditions that influence how and when digital technologies contribute to organizational performance.

Leadership has emerged as a critical yet underexplored factor in explaining performance heterogeneity in digital transformation. Digital leadership capability refers to leaders' ability to understand digital technologies, articulate a coherent digital vision, and align technological initiatives with organizational strategy (Margiono, 2020). Unlike traditional leadership competencies, digital leadership emphasizes technological sensemaking, adaptive decision-making, and the orchestration of digital resources across organizational units. In platform-based firms, where strategic decisions regarding data governance, algorithmic management, and digital innovation are centralized at the leadership level, digital leadership capability becomes particularly salient (Abiodun et al., 2022). From a dynamic capability perspective, digital leadership capability represents a higher-order managerial capability that enables organizations to sense digital opportunities, seize technological resources, and continuously reconfigure organizational processes. Consequently, digital leadership capability serves as the organizational mechanism through which digital technologies can be effectively transformed into superior organizational performance.

Drawing on the Dynamic Capability perspective, this study argues that Digital Leadership Capability mediates the relationship between Digital Technologies and Organizational Performance. While digital technologies provide valuable strategic resources, they cannot independently improve organizational performance. Organizations require managerial capabilities that enable leaders to sense technological opportunities, seize digital initiatives, and continuously reconfigure organizational resources. Therefore, Digital Leadership Capability functions as the mechanism through which digital technologies are translated into superior organizational performance.

Despite growing scholarly interest in digital transformation and leadership, empirical research examining Digital Leadership Capability as the mechanism linking digital technologies and organizational performance remains limited. Existing studies primarily investigate the direct effects of digital leadership on innovation and transformation outcomes while paying limited attention to how digital leadership capability translates digital technology investments into organizational performance.

To address these gaps, this study investigates the mediating role of digital leadership capability in the relationship between digital technologies and organizational performance, using Grab Company as the empirical context. By integrating leadership capability into the digital technology-performance framework, this research contributes to the digital transformation literature in three ways. First, it advances theoretical understanding by positioning digital leadership capability as a critical moderator grounded in dynamic capabilities theory. Second, it provides empirical evidence from a leading platform-based

organization in Southeast Asia, enriching the contextual diversity of digital transformation research. Third, it offers actionable insights for organizations seeking to maximize performance outcomes through effective digital leadership.

2. LITERATURE REVIEW

2.1. Digital Technologies and Organizational Performance

Digital technologies refer to the deployment and integration of advanced information technologies such as artificial intelligence, big data analytics, cloud computing, mobile platforms, and digital infrastructures that support organizational processes and decision-making (Valenduc & Vendramin, 2017). In the context of digital transformation, these technologies enable organizations to redesign value creation mechanisms, improve operational efficiency, and enhance responsiveness to market dynamics (Vial, 2019).

From a strategic management perspective, digital technologies are viewed as enablers of organizational performance through multiple pathways (Erhan et al., 2022). Prior studies suggest that digitalization improves performance by automating processes, enhancing data-driven decision-making, and facilitating innovation across organizational functions (Low et al., 2022). In platform-based organizations, digital technologies further support ecosystem coordination, service scalability, and real-time interaction between multiple stakeholders.

However, the performance implications of digital technologies remain inconsistent across empirical studies. While some research reports significant performance gains, others find weak or indirect effects, particularly when organizations lack complementary organizational capabilities (Berlak et al., 2021). These mixed findings suggest that digital technologies alone do not constitute a sufficient condition for superior performance, highlighting the importance of contextual and managerial factors that shape their effective utilization.

2.2. Digital Leadership Capability

Digital leadership capability represents leaders' ability to strategically leverage digital technologies to drive organizational transformation and performance. It encompasses technological awareness, digital vision, strategic alignment, and the capacity to foster digital mindsets and competencies within the organization (Yao et al., 2024). Unlike traditional leadership constructs, digital leadership emphasizes navigating uncertainty, managing digital complexity, and orchestrating cross-functional digital initiatives (Caporarello et al., 2019).

The dynamic capabilities framework provides a strong theoretical foundation for understanding digital leadership capability. According to Teece (2018), organizational success in turbulent environments depends on the ability to sense emerging opportunities, seize valuable resources, and reconfigure organizational assets. Digital leaders play a central role in enabling these processes by interpreting technological trends, mobilizing digital resources, and aligning them with strategic objectives.

Empirical studies have demonstrated that digital leadership capability positively influences digital transformation outcomes, innovation performance, and organizational agility (Elia et al., 2024). Leaders with strong digital capabilities are more effective in overcoming resistance to change, coordinating digital initiatives, and ensuring that digital investments are strategically embedded within organizational routines (Senadjki et al., 2024). In platform-based organizations such as Grab, where operational and strategic decisions are highly digitized, digital leadership capability becomes a critical organizational asset.

2.3. The Mediating Role of Digital Leadership Capability

Although digital technologies provide the technical foundation for transformation, leadership determines how these technologies are interpreted, deployed, and exploited within the organization. The dynamic capabilities perspective suggests that leadership capability functions as a higher-order mechanism that shapes the effectiveness of organizational resources, including digital technologies (Teece, 2018). Consequently, digital leadership capability is expected to condition the relationship between digital technologies and organizational performance.

In organizations with high digital leadership capability, leaders are better equipped to align digital initiatives with strategic priorities, integrate technologies across organizational units, and foster a culture that supports experimentation and learning (Liu & Zhang, 2025). These leaders enhance the organization's ability to translate digital potential into measurable performance outcomes. Conversely, in organizations with low digital leadership capability, digital technologies may be implemented in a fragmented or reactive manner, limiting their performance impact (Sarfraz et al., 2026).

Despite its theoretical importance, empirical research examining digital leadership capability as a mediating variable remains limited. Most existing studies focus on its direct effects, overlooking its role as a boundary condition that explains variation in digital performance outcomes. Addressing this gap, the present study proposes that digital leadership capability strengthens the positive relationship between digital technologies and organizational performance.

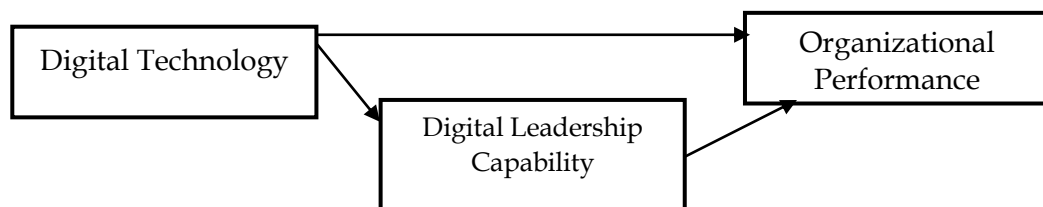


Figure 1. Conceptual Framework

Source: Previous studies, 2025

Drawing on the dynamic capability's perspective, this study proposes a research model in which digital technologies directly enhance organizational performance, while digital leadership capability serves as a critical mediating mechanism. By integrating leadership capability into the digital transformation-performance framework, the model offers a more nuanced explanation of performance heterogeneity in platform-based organizations.

3. RESEARCH METHOD

3.1 Research Design

This study adopts a quantitative research design with a cross-sectional survey approach to examine the relationships among digital technologies, digital leadership capability, and organizational performance. A quantitative approach is considered appropriate as the objective of this study is to test theoretically grounded hypotheses and assess the mediating effect of digital leadership capability using empirical data. The cross-sectional design allows for the collection of perceptual data from organizational members at a single point in time, which is consistent with prior research on digital transformation and leadership.

3.2. Population and Sample

The empirical context of this study is Grab Company, a leading platform-based organization operating in Southeast Asia. Grab was selected due to its extensive reliance on digital

technologies such as artificial intelligence, big data analytics, mobile platforms, and cloud-based systems in managing its core services and organizational processes. This context provides a relevant and information-rich setting for examining the performance implications of digital technologies and digital leadership capability.

Data were collected from 150 managerial-level employees of Grab Company, including managers and supervisors from functional areas such as operations, technology, marketing, and human resources. A purposive sampling technique was employed to ensure that respondents possessed sufficient knowledge and experience related to digital initiatives and leadership practices within the organization. The final sample size of 150 respondents exceeds the minimum recommended threshold for Partial Least Squares Structural Equation Modeling (PLS-SEM), ensuring adequate statistical power for testing both direct and mediating effects.

3.3. Measurement of constructs

All constructs in this study were measured using validated multi-item scales adapted from established studies to ensure content validity and measurement reliability. Digital technologies were operationalized by assessing the extent to which advanced digital systems are adopted and integrated into organizational processes. This construct captures the use of technologies such as data analytics, digital platforms, automation, and cloud-based systems in supporting operational efficiency and decision-making. Measurement items were adapted from prior digital transformation research, focusing on the breadth and intensity of digital technology utilization within the organization (Basalamah & Basalamah, 2025). Sample indicators include the extent to which digital technologies enhance process integration, enable real-time data access, and support service delivery effectiveness.

Digital leadership capability was measured by evaluating leaders' ability to strategically leverage digital technologies to drive organizational change and performance. This construct reflects leadership competencies related to digital vision, technological awareness, strategic alignment of digital initiatives, and support for digital innovation. The measurement scale was adapted from prior studies on digital leadership and dynamic capabilities, emphasizing leaders' roles in sensing digital opportunities, guiding digital transformation efforts, and fostering a supportive digital culture (Gianni et al., 2025). Representative indicators include leaders' understanding of digital technologies, their ability to integrate digital initiatives into organizational strategy, and their encouragement of experimentation and digital skill development among employees.

Organizational performance was measured using perceptual indicators reflecting managers' evaluations of their organization's performance relative to competitors. This approach is widely adopted in organizational and information systems research when objective performance data are inaccessible or confidential. The construct encompasses dimensions such as operational efficiency, service quality, and overall organizational effectiveness. Measurement items were adapted from prior studies on firm and organizational performance in digital contexts (Khaw et al., 2022). Sample indicators assess improvements in service delivery, operational outcomes, and overall performance attributable to digital initiatives. All constructs were measured using a five-point Likert scale ranging from 1 ("strongly disagree") to 5 ("strongly agree").

Data were collected through a structured online questionnaire distributed to eligible respondents within Grab Company. Participation was voluntary, and respondents were assured of anonymity and confidentiality to reduce potential response bias. No proprietary or sensitive organizational information was accessed during the data collection process. The use of self-

administered questionnaires is appropriate for capturing managerial perceptions of digital technologies, leadership capability, and performance outcomes.

3.4. Data Analysis Technique

Data analysis was conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS software. PLS-SEM was chosen due to its suitability for prediction-oriented research, its ability to handle complex models with interaction effects, and its robustness with relatively moderate sample sizes. The analysis followed a two-stage procedure as recommended (Hair et al., 2017).

In the first stage, the measurement model was evaluated by assessing indicator reliability, internal consistency reliability (Cronbach's alpha and composite reliability), convergent validity (average variance extracted), and discriminant validity (Fornell-Larcker criterion and HTMT ratios). In the second stage, the structural model was assessed by examining collinearity (VIF), path coefficients, coefficients of determination (R^2), predictive relevance (Q^2), and the significance of the mediating effect using bootstrapping with 5,000 resamples (Cepeda-Carrion et al., 2019).

4. RESULTS AND DISCUSSION

4.1. Respondent Profile

The respondents of this study consisted of 150 managerial-level employees of Grab Company, including supervisors, managers, and senior staff who are directly involved in digital initiatives and leadership-driven decision-making processes. The profile of respondents indicates an adequate representation of key organizational functions and demographic characteristics, ensuring the relevance and credibility of the collected data.

Table 1. Respondent profile

Profile Category	Frequency	Percentage (%)
Gender (Male)	88	58.7
Gender (Female)	62	41.3
Age 30–39	69	46.0
Age 40–49	48	32.0
Bachelor's Degree	108	72.0
Postgraduate Degree	42	28.0
Tenure > 5 Years	97	64.7

Table 1 presents the demographic characteristics of the respondents. Most respondents were male (58.7%), while female respondents accounted for 41.3%. In terms of age, most respondents were between 30 and 39 years old (46.0%), followed by those aged 40–49 years (32.0%). Regarding educational background, 72.0% of respondents held a bachelor's degree, while 28.0% possessed a postgraduate qualification. In terms of organizational tenure, 64.7% of respondents had more than five years of working experience at Grab Company, indicating a strong familiarity with the organization's digital systems and leadership practices.

4.2. Measurement model Evaluation

The measurement model was evaluated to ensure the reliability and validity of the latent constructs before proceeding to structural model assessment. Following established PLS-SEM guidelines, indicator reliability, internal consistency reliability, convergent validity, and discriminant validity were systematically examined (Hair et al., 2022). All measurement items

for Digital Technologies, Digital Leadership Capability, and Organizational Performance demonstrated strong psychometric properties, indicating that the constructs were measured accurately and consistently in the context of Grab Company.

Indicator reliability was first assessed by examining outer loading values. The results show that all indicators loaded significantly on their respective constructs, with standardized loadings exceeding the recommended threshold of 0.70. This indicates that each indicator adequately explains a substantial proportion of variance in its underlying construct (Hair et al., 2019). High outer loadings further confirm that the measurement items are representative and theoretically aligned with the conceptual definitions of the constructs.

Table 2. Evaluation Model Results

Construct	Indicator	Loading	Cronbach's Alpha	CR	AVE
Digital Technologies (DIG)	DIG1	0.809	0.818	0.910	0.668
	DIG2	0.811			
	DIG3	0.802			
	DIG4	0.798			
Digital Leadership Capability (DLC)	DLC1	0.857	0.901	0.921	0.710
	DLC2	0.867			
	DLC3	0.832			
Organizational Performance (OP)	OP1	0.814	0.890	0.917	0.697
	OP2	0.817			
	OP3	0.812			
	OP4	0.821			

The measurement model results presented in Table 2 demonstrate strong empirical support for the reliability and validity of all constructs examined in this study. First, indicator reliability is well established, as all outer loading values for Digital Technologies, Digital Leadership Capability, and Organizational Performance exceed the recommended threshold of 0.70. These high loading values indicate that each indicator contributes substantially to explaining its respective latent construct. In the context of Grab Company, this suggests that the selected indicators accurately capture employees' perceptions of digital technology utilization, leadership capability in digital contexts, and overall organizational performance.

In terms of internal consistency reliability, the results further confirm the robustness of the measurement model. Cronbach's alpha values range from 0.818 to 0.901, while Composite Reliability (CR) values range from 0.910 to 0.921, all of which exceed the minimum acceptable level of 0.70. This indicates a high degree of consistency among indicators within each construct (Hair et al., 2022). Notably, the CR values are higher than the corresponding Cronbach's alpha values, reflecting the suitability of CR in PLS-SEM for capturing construct reliability in models with multiple indicators. These findings suggest that the constructs are measured with minimal internal error and are stable across the sample of 150 respondents.

Convergent validity was further established through the Average Variance Extracted (AVE), with all constructs exceeding the recommended threshold of 0.50 (Fornell & Larcker, 1981). Specifically, Digital Technologies achieved an AVE of 0.668, Digital Leadership Capability obtained an AVE of 0.710, and Organizational Performance recorded an AVE of 0.697. These results indicate that each construct explains more than 50% of the variance in its respective

indicators, confirming that the measurement items adequately converge in representing their intended latent constructs.

Overall, the measurement model demonstrates satisfactory psychometric properties, including strong indicator reliability, high internal consistency reliability, and adequate convergent validity. These findings confirm that the measurement instruments are both reliable and valid for assessing the study constructs. Consequently, the constructs are considered appropriate for subsequent structural model analysis, providing a robust foundation for examining the direct and indirect relationships among Digital Technologies, Digital Leadership Capability, and Organizational Performance.

4.3. Discriminant Validity (Fornell-Larcker Criterion) and HTMT Ratio

Discriminant validity was assessed using the Fornell-Larcker criterion and the Heterotrait-Monotrait (HTMT) ratio. All square root values of AVE are greater than the inter-construct correlations, and all HTMT values are below the conservative threshold of 0.85, confirming satisfactory discriminant validity.

Table 3. Discriminant Validity

Construct	DIG	DLC	OP
Digital Technologies (DIG)	0.823		
Digital Leadership Capability (DLC)	0.612	0.851	
Organizational Performance (OP)	0.587	0.671	0.833

The discriminant validity assessment using the Fornell-Larcker criterion, as presented in Table 3, demonstrates that all constructs in the model are empirically distinct. Specifically, the square root of the Average Variance Extracted (AVE), shown along the diagonal of the matrix, is higher than the corresponding inter-construct correlations for each construct. For Digital Technologies, the square root of AVE (0.823) exceeds its correlations with Digital Leadership Capability (0.612) and Organizational Performance (0.587), indicating that the construct shares more variance with its own indicators than with other constructs in the model.

Similarly, Digital Leadership Capability exhibits a square root of AVE value of 0.851, which is substantially higher than its correlations with Digital Technologies (0.612) and Organizational Performance (0.671). This finding confirms that digital leadership capability is conceptually and empirically distinct from both technological resources and performance outcomes. In the context of Grab Company, this suggests that leadership capability in digital environments represents a unique organizational competence that cannot be reduced merely to the availability or intensity of digital technologies.

Organizational Performance also satisfies the Fornell-Larcker criterion, with a square root of AVE of 0.833, exceeding its correlations with Digital Technologies (0.587) and Digital Leadership Capability (0.671). This result indicates that organizational performance is not conflated with either technological adoption or leadership capability but rather constitutes a separate outcome construct influenced by these antecedents. Overall, the Fornell-Larcker results provide strong evidence of discriminant validity, supporting the conceptual clarity of the constructs and validating their inclusion in the structural model for hypothesis testing.

Table 4. HTMT Ratio

Construct Pair	HTMT
DIG – DLC	0.701
DIG – OP	0.675
DLC – OP	0.742

The results of the Heterotrait–Monotrait (HTMT) ratio analysis, as presented in Table 4, further confirm the establishment of discriminant validity among the constructs in the research model. All HTMT values are below the conservative threshold of 0.85, as recommended by Henseler et al. (2015), indicating that the constructs are empirically distinct and do not suffer from conceptual overlap. This finding strengthens the validity of the measurement model and complements the results obtained from the Fornell–Larcker criterion.

Specifically, the HTMT value between Digital Technologies and Digital Leadership Capability (0.701) suggests a moderate yet acceptable level of association, reflecting that while digital technologies and leadership capability are related constructs, they capture different organizational dimensions. In the context of Grab Company, this implies that the presence of advanced digital technologies does not automatically translate into strong digital leadership capability, highlighting the importance of leadership competencies in leveraging digital resources effectively.

The HTMT values for Digital Technologies–Organizational Performance (0.675) and Digital Leadership Capability–Organizational Performance (0.742) also fall well below the recommended cut-off. These results indicate that organizational performance is sufficiently distinct from both its technological and leadership antecedents. Collectively, the HTMT analysis provides robust evidence of discriminant validity, ensuring that the constructs measure unique theoretical concepts and allowing the structural relationships in the model to be interpreted with a high degree of confidence.

4.4. Variance Inflation Factors

The collinearity assessment of the structural model, as indicated by the Variance Inflation Factor (VIF) values in Table 5, demonstrates that multicollinearity is not a concern in this study. All VIF values are well below the conservative threshold of 3.3 and the commonly accepted cut-off value of 5.0, as recommended in PLS-SEM literature (Hair et al., 2022). This indicates that the predictor constructs do not exhibit excessive correlation that could bias the estimation of path coefficients.

Table 5. Variance Inflation Factors

Path	VIF
DIG → OP	1.523
DIG → DLC	1.415
DLC → OP	1.618

Specifically, the VIF value for the path from Digital Technologies to Organizational Performance (1.523) suggests a low level of collinearity between digital technologies and other predictors in explaining performance outcomes. Similarly, the VIF value for the path from Digital Technologies to Digital Leadership Capability (1.415) indicates that digital technologies independently contribute to explaining leadership capability without redundancy. These results

imply that digital technologies function as a distinct explanatory factor rather than overlapping with leadership-related constructs.

Moreover, the VIF value for the path from Digital Leadership Capability to Organizational Performance (1.618) further confirms the absence of collinearity issues in the model. This finding suggests that digital leadership capability contributes unique explanatory power to organizational performance beyond that provided by digital technologies alone. Overall, the low VIF values support the robustness of the structural model and ensure that the estimated relationships among digital technologies, digital leadership capability, and organizational performance can be interpreted reliably and without distortion from multicollinearity effects.

4.5. Coefficient of Determination (R^2) and Predictive Relevance (Q^2)

The coefficient of determination (R^2) was examined to assess the explanatory power of the structural model for the endogenous constructs. As presented in Table 6, Digital Leadership Capability achieved an R^2 value of 0.774, indicating that Digital Technologies explain 77.4% of the variance in Digital Leadership Capability. According to the guidelines for PLS-SEM, this represents a substantial level of explanatory power (Hair et al., 2022), suggesting that digital technologies constitute a major determinant of leadership capability within the organizational context.

Table 6. R^2 and Q^2 Results

Endogenous Variable	R^2	Q^2
Digital Leadership Capability	0.774	0.441
Organizational Performance	0.692	0.518

Organizational Performance recorded an R^2 value of 0.692, indicating that 69.2% of the variance in organizational performance is jointly explained by Digital Technologies and Digital Leadership Capability. This level of explanatory power can be considered moderate to substantial, demonstrating that both technological resources and leadership capability play important roles in explaining organizational performance within the studied platform-based organization.

The predictive relevance of the structural model was further assessed using the Stone-Geisser Q^2 statistic obtained through the blindfolding procedure. As shown in Table 6, the Q^2 values for Digital Leadership Capability (0.441) and Organizational Performance (0.518) are both well above zero, indicating that the model possesses satisfactory predictive relevance for both endogenous constructs (Hair et al., 2019). Overall, the R^2 and Q^2 results demonstrate that the proposed structural model exhibits strong explanatory power and adequate predictive capability, supporting its suitability for evaluating the direct and indirect relationships among Digital Technologies, Digital Leadership Capability, and Organizational Performance.

4.6. Hypothesis Testing

The structural relationships were evaluated using the bootstrapping procedure with 5,000 resamples. As presented in Table 7, all direct hypotheses were statistically supported. Digital Technologies exert a significant positive effect on Organizational Performance and Digital Leadership Capability, while Digital Leadership Capability also has a significant positive effect

on Organizational Performance. These findings provide empirical support for the proposed structural relationships and establish the basis for the subsequent mediation analysis.

Table 7. Hypothesis Testing

Hypothesis	Path	β	t-value	p-value	Decision
H1	DIG $\rightarrow$ OP	0.348	4.176	< 0.001	Supported
H2	DIG $\rightarrow$ DLC	0.621	8.839	< 0.001	Supported
H3	DLC $\rightarrow$ OP	0.582	5.935	< 0.001	Supported

The hypothesis testing results presented in Table 7 provide strong empirical support for all the results indicate that Digital Technologies have a positive and significant direct effect on Organizational Performance ($\beta = 0.348$, $t = 4.176$, $p < 0.001$), supporting H1. This finding suggests that the effective adoption and utilization of digital technologies contribute directly to improving organizational performance.

Furthermore, Digital Technologies significantly influence Digital Leadership Capability ($\beta = 0.621$, $t = 8.839$, $p < 0.001$), supporting H2. This result indicates that the implementation of digital technologies facilitates the development of leadership capabilities required to manage digital transformation initiatives effectively.

In addition, Digital Leadership Capability has a significant positive effect on Organizational Performance ($\beta = 0.582$, $t = 5.935$, $p < 0.001$), supporting H3. This finding demonstrates that stronger digital leadership capability contributes to higher organizational performance by enabling leaders to align digital initiatives with strategic objectives and organizational processes.

Collectively, these results provide empirical support for the proposed structural model and indicate that both Digital Technologies and Digital Leadership Capability play important roles in explaining Organizational Performance. The significance of these direct relationships also provides the necessary foundation for evaluating the mediating role of Digital Leadership Capability, which is presented in the subsequent mediation analysis.

5. CONCLUSIONS

This study examined the relationships among Digital Technologies, Digital Leadership Capability, and Organizational Performance within the context of a platform-based organization. The findings provide strong empirical evidence that Digital Technologies not only exert a significant direct effect on Organizational Performance but also indirectly enhance performance through the mediating role of Digital Leadership Capability. These results indicate that the successful translation of digital technology investments into organizational performance depends not only on the availability of advanced digital resources but also on leaders' capabilities to effectively leverage and align those resources with organizational objectives.

From a theoretical perspective, this study extends the Dynamic Capability perspective by demonstrating that Digital Technologies function as strategic organizational resources, while Digital Leadership Capability represents the managerial capability that enables organizations to sense digital opportunities, seize technological initiatives, and reconfigure organizational resources to achieve superior Organizational Performance. By identifying Digital Leadership Capability as the mechanism linking Digital Technologies and Organizational Performance, this study contributes to the digital transformation literature by explaining how technological

resources are converted into tangible organizational outcomes within platform-based organizations.

The findings also offer important practical implications. For digital platform companies such as Grab, investments in advanced digital technologies should be complemented by the continuous development of digital leadership capabilities. Organizations should strengthen leaders' digital vision, technological awareness, strategic alignment, and ability to orchestrate digital resources to ensure that digital transformation initiatives generate sustainable improvements in organizational performance. Accordingly, digital transformation strategies should emphasize not only technological adoption but also leadership capability development as an integral component of organizational competitiveness.

This study has several limitations. First, the empirical analysis was conducted within a single platform-based organization, which may limit the generalizability of the findings to other organizational contexts. Second, the cross-sectional research design does not capture the dynamic evolution of digital leadership capability over time. Future studies are encouraged to validate the proposed mediation model across different industries and countries, employ longitudinal research designs, and examine additional organizational capabilities that may further explain how digital technologies contribute to organizational performance.

Overall, this study demonstrates that Digital Leadership Capability serves as a critical mediating mechanism through which Digital Technologies improve Organizational Performance. The findings reinforce the importance of integrating technological resources with managerial capabilities, providing both theoretical and practical insights for organizations seeking to achieve sustainable competitive performance in an increasingly digital business environment.

STATEMENT OF USE OF GENERATIVE AI

Generative AI tools were used solely for language editing, grammatical improvement, and enhancing the readability of this manuscript. They were not used for data collection, statistical analysis, interpretation of results, or formulation of the study's findings and conclusions. All AI-assisted content was reviewed and verified by the authors, who take full responsibility for the final manuscript.

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