

Ambidexterity: An Intervening Mechanism in the Dynamic Capabilities-Sustainable Competitive Advantage Nexus

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Abstract:

Although the concern about how organizations endure in the extant dynamic environment has attracted a myriad of research efforts, the most crucial concern is how do organizations learn and adapt, requiring empirical evidences. Therefore, this study aims to investigate firm-level ambidexterity as an intervening mechanism in the dynamic capabilities' connection with organizational sustainable competitive advantage in Qatar banking sector. Data, which were elicited from the branch managers, operation managers, and quality managers of the 16 selected banks in Qatar through questionnaires, were analyzed using Smart PLS-SEM's approach in testing measurement and structural model. The overall results indicate that firm-level ambidexterity partially mediates the dynamic capabilities' connection with sustainable competitive advantage. This implies that firm-level ambidexterity is a strong and significant mechanism through which the positive effect the dynamic capabilities has on sustainable competitive advantage can be enhanced. Lastly, the implications for theory and practice and suggestions for future studies were discussed.

Keywords: *dynamic capabilities, sustainable competitive advantage, ambidexterity..*

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I. INTRODUCTION

The concern about how organizations endure the environmental change has attracted a myriad of research efforts springing up various research fields including management, organizational sociology, psychology, and economics fields. However, the most crucial concern is how do organizations learn and adapt, requiring empirical evidences (see Breznik & Lahovnik, 2016; Popadiuk, Luz & Kretschmer, 2018). This is underlined by the fact that in the existing dynamic environment, which is characterized by instability and uncertainty, organizations cannot afford to be inert but to learn and adapt (O'Reilly III & Tushman, 2007).

On this, two approaches emerged in the literature: strategy and organizational design. In the strategy approach, it is held that ability of an organization to reconfigure the resources and the extant capabilities (i.e., dynamic capabilities) determines organizational sustainable competitive advantage. Organizational design approach supposes that the firm's capability to concurrently explore the new opportunities and exploit

the existing resources (i.e., firm-level ambidexterity) allows a firm to adjust over time and consequently enhances competitive advantage for the organization (see O'Reilly III & Tushman, 2007).

Furthermore, the scholars, such as Teece (2009), Breznik and Lahovnik (2016), Popadiuk, Luz and Kretschmer (2018) etc., hold that the capability of a firm to adjust itself to vicissitudes of the present dynamic environment culminated in both the dynamic capabilities and the firm-level ambidexterity. However, in a comprehensive literature conducted by Jurksiene and Pundziene (2016), it is signified that dynamic capabilities' connection with firm-level ambidexterity has not been sufficiently investigated and thus remains quite unexplored. This indicates the need for more research on the subject matter to enrich the extant body of knowledge.

The effect of firm-level ambidexterity on firms' competitive advantage has not been empirically established. According to O'Reilly and Tushman (2013), the impact of firm-level ambidexterity was examined, but there was not empirical evidence that indicates firm-level

ambidexterity's impact on competitive advantage. In fact, Turner Swart and Maylor(2013), who confirms organizational firm-level ambidexterity's importance for organizational competitive advantage, posit that there is still exist limited understanding of how competitive advantage can be attained and managed. This made Jurksiene and Pundziene (2016) in their literature survey which focused on organizational firm-level ambidexterity, dynamic capabilities, and competitive advantage suggest that future research should explore and investigate the organizational firm-level ambidexterity's connection with competitive advantage of the organizations. It is believed that this will bring about empirical evidence regarding the impacts of firm-level ambidexterity on firm competitive advantage.

Additionally, review of the literature (e.g., Teece, 2007; Li & Liu, 2014) has indicated non-direct connection between dynamic capabilities and organizational sustainable competitive advantage. This, therefore, informs that there is need for a mechanism through which the vague relationship between the two constructs (i.e., dynamic capabilities and sustainable competitive advantage) can be unraveled. Also, there is dearth of research on the mediating role of firm-level ambidexterity in the dynamic capabilities' link with firm competitive advantage. Only one research (Jurksiene&Pundziene, 2016) was solely carried on the subject-matter, and it is conceptual which requires empirical evidence to solidify the findings. In fact, the authors of the research suggested that further research is required to empirically test the mediating role of firm-level ambidexterity in the relationship between dynamic capabilities and competitive advantage.

II. RESEARCH OBJECTIVES

Owing to the discussion in the preceding section, this research aims to investigate firm-level ambidexterity as an intervening mechanism in the dynamic capabilities' connection with organizational sustainable competitive advantage. In other word, this research examines the mediating effect of firm-level ambidexterity in the relationship between dynamic capabilities and organizational sustainable competitive advantage. This is to be conducted in the context of Qatar banking sector. The strategic goal of the banks in Qatar is to accomplish competitive advantage in today's dynamic environment. Banking sector in Qatar, which represents a crucial economic and social development predictor in Qatar, is

crucial to the economic resource allocation, the organization of social and economic life cycle in Qatar as well as world economies. Moreover, the remainders of the study comprise literature survey for hypotheses formulation, research questions and hypotheses development, methodology, results and discussion of the findings. Then, conclusive remark wraps up the research work.

III. SURVEY OF LITERATURE

The environment of organizations is of three categories: natural, societal and task environments. Out of these three environments, task environment is the most critical determinant of the sustained competitive advantage of the organizations (see Wheelen& Hunger, 2012), given that task environment comprises the mechanisms or factors that directly affect organizations and consequently are affected by it (Wheelen& Hunger, 2012; Al-Nady, Al-Hawary, &Alolayyan, 2013). Also, sustainable competitive advantage is achieved when organizations study and analyze external environment to recognize threats and opportunities therein and then incorporate it with organizational analysis, which involves the organizational effort to identify the internal strategic factors (i.e., key organizational strengths and weaknesses)that could enable organization exploit the opportunities and at same time evade external threats (Wheelen& Hunger, 2012).

Review of the existing literature has identified dynamic capabilities and firm-level ambidexterity as the mechanisms that can facilitate recognition of external opportunities and the internal strategic factors and consequently enhance organizational sustainable competitive advantage. Breznik and Lahovnik (2016) posited that an organization that reconfigures her resources and capabilities towards the opportunities and environmental change can generate a sustainable competitive advantage, given that the organizations that are devoted to utilizing dynamic capabilities are always successful.

While it is posited that dynamic capabilities are a significant driver of sustained competitive advantage in the present increasingly competitive environment and saturated markets. However, this would not be enough as the volatility of the environment demands swift and innovative organizational responses and possession of hard-to-imitate competences (Teece Pisano&Shuen, 1997; Teece, 2014) that could be made possible via a

concurrent pursuit of radical and incremental innovation using both explorative and exploitative activities; this is what is called firm-level ambidexterity (see Simsek et al., 2009).

Accentuating the connection between dynamic capabilities and firm-level ambidexterity, Popadiuk, Luz and Kretschmer (2018) pointed out that both constructs are connected with organizational routines, in that exploration can be done in the sensing phase which focuses on discovering opportunities, knowledge, and innovation. The exploitation capability takes place during seizing stage which involves continuous realignment of resources to sustain efficiency.

In the literature, both firm-level ambidexterity and dynamic capabilities are regarded as organizational capabilities (see O'Reilly & Tushman, 2013; Teece, Pisano & Shuen, 1997) while some researchers (e.g., Gibson & Birkinshaw, 2004; Eisenhardt & Martin, 2000) considered both as a process. Both concepts could be considered processes that comprises sensing and discovery of the environment to enable right decision-making. The two constructs can also be regarded as comparable capabilities. The two constructs are thus comparatively close concepts, but not entirely equal concepts (Jurksiene & Pundziene, 2016).

Moreover, efforts to unravel the issues related to sustainable competitive advantage in the extant unstable environment brought about the dynamic capabilities approach (see Eisenhardt & Martin, 2000; Teece, Pisano & Shuen, 1997). This is accentuated by the fact that an organization with the ability to sense, identify and grab new opportunities and then reconfigure her resources and capabilities towards recognized opportunities and environmental change can build up and sustain a competitive advantage (Breznik & Lahovnik, 2016; Teece, 2009). In addition, capability theory, which is an evolved model from resource-based view, accentuates the importance of resources and capabilities (see Liqin Guangya, & Koos, 2010). This theory postulates that organizational ability to transform the resources to a competitive advantage determines the effectiveness of the organizational strategy. According to Makadok (2001), capabilities are organizational specific resources that help leverage profit and performance.

Capabilities, which denotes the organizational ability to exploit and use its resources, is connected with business processes and routines that manage the interaction among resources to convert inputs into outputs. However, when

the organizational capabilities, which may involve marketing capability, managerial capability, HR capability etc., are continuously being changed and reconfigured to make them more adaptive to an uncertain environment, they are then called dynamic capabilities (see Wheelen & Hunger, 2012). Furthermore, some studies (see Kor & Mahoney, 2005; Bruni & Verona, 2009; Barrales-Molina, Martinez-Lopez & Gazques-Abad, 2014) have identified six capabilities as the fitting constituents of dynamic capabilities. The capabilities include managerial, marketing, human resource, R&D, technology, and innovation capabilities. This is in accordance with the dynamic capabilities' perspective, given the widely recognized managers' dominant role in the dynamic capabilities' development (Helfat & Martin, 2014; Augier & Teece, 2009 etc.).

Nevertheless, dynamic capabilities, according to analytical perspective, comprise sensing, seizing and reconfiguring capabilities (Teece, 2007). Sensing capability is concerned with constant environmental scanning to search for opportunities that may spring up in the internal and external organizational environment. Sensing capability comprises activities of scanning for new inventors or exploring market needs, practices in the R&D process that allow the creation of new or improved knowledge, activities that lead to understanding technological revolution, etc. On the other hand, seizing capability occurs after the opportunities are sensed. The opportunities should then be seized with their values and potentials being recognized. This involves selecting the 'right' technology or recognizing the target customers. Reconfiguring capability is connected with the ability to recombine and reconfigure the resource base to address changes and opportunities in the firm's environment (Teece, 2007).

This study thus conceptualizes dynamic capabilities to involve sensing, seizing and reconfiguration. This is corroborated by the fact that sensing, seizing, and reconfiguring are crucial and indispensable for sustainable competitive advantage (see Teece, Peteraf & Leih, 2016). Dynamic capabilities indicate the reasons behind the success or failure and sustained or short-lived competitive advantage of some organizations (Peteraf, Stefano, & Verona, 2013). Dynamic capabilities produce opportunities to build up competitive advantage using reconfigured and inimitable resources, which will in turn enhance sustained competitive advantage and organizational effectiveness (see

Peteraf, Stefano, & Verona, 2013; Schilke, 2014).

The literature also signified the dynamic capabilities' effects on competitive advantage. Li and Liu's (2014) studied 217 firms and found that dynamic capabilities significantly and positively affect competitive advantage. Likewise, in the study conducted by Naguib, Elsaid and Elsaid (2017) on the effect of dynamic capabilities on sustainable competitive advantage, it is signified that some constructs of dynamic capabilities have impact on sustainable competitive advantage in the context of Egyptian Pharmaceutical firms. However, a comprehensive survey of the existing literature indicates that the research on dynamic capabilities, which started with the research conducted by Teece, Pisano and Shuenin 1997, are mostly conceptual and largely focuses on foundation-level issues (Helfat & Peteraf, 2009), with little empirical support (Newbert, 2007; Ambrosini & Bowman, 2009).

Besides, firm-level ambidexterity explicates how firms work concurrently with exploration and exploitation or not (Popadiuk, Luz & Kretschmer, 2018). According to Turner Swart, and Maylor (2013), firm-level ambidexterity is connected with the use of a number of theoretical perspectives involving organizational learning, innovation management, marketing and organizational behavior. Yet, firm-level ambidexterity has not been fully explored (Lavie, Stettner, & Tushman, 2010; Raisch & Birkinshaw, 2008). Starting from Duncan (1976), who first defined firm-level ambidexterity, many researchers have provided some definitions of firm-level ambidexterity, indicating that the construct is multifaceted and complex.

In this study, firm-level ambidexterity at macro level denotes the capability of an organization to engage in radical and incremental innovation activities concurrently (i.e., exploration and exploitation) (Prange & Schlegelmilch, 2010; Mattes & Ohr, 2013). This indicates the capability of the organization to concurrently explore and exploit (Carter, 2015). Similarly, it is a means through which organizational challenges are addressed by concurrently managing two opposing goals (Birkinshaw & Gupta, 2013). In other word, it is an arrangement in which the existing competencies, technologies, and paradigms (i.e., exploitation) are refined and extended and at the same time new alternatives and options (i.e., exploration) are explored (Carmeli & Halevi, 2009). Firm-level ambidexterity involves exploration and exploitation.

Through growth, exploration contributed to performance, but exploitation contributed to growing productivity (Junni et al., 2013).

Given the volatility of the environment, ever-increasing technological advancement, and high-speed globalization, firm-level ambidexterity should be viewed from innovation perspective (see Andriopoulos & Lewis, 2009; He & Wong, 2004). Firm-level ambidexterity should thus be conceived to mean organizational capability to entrench exploratory or radical innovation and exploitative or incremental innovation concurrently (Li, Lin & Chu, 2008; Mattes & Ohr, 2013, etc.). While exploratory innovation dwells on unexplored knowledge sources, new information and undeveloped skills and competencies, exploitative innovation focus on utilization of the current knowledge, abilities, and processes (Wei, Yi & Yuan, 2011). Simply put, exploratory innovation involves searching for new knowledge, but exploitative innovation involves utilization of shared knowledge (Inauen & Schenker-Wicki, 2012).

Although firm-level ambidexterity is significantly connected with increased firm innovation, improved performance and company survival (O'Reilly & Tushman, 2013), the effect of firm-level ambidexterity on organizational competitive advantage is not yet empirically established. There was no empirical evidence that indicates firm-level ambidexterity's impact on competitive advantage (see O'Reilly & Tushman, 2013). In fact, Turner et al. (2013), who confirms organizational firm-level ambidexterity's importance for firm competitive advantage, posit that there is still exist limited understanding of how competitive advantage can be attained and managed. Also, Jurksiene and Pundziene (2016) posited that empirical investigation on firm-level ambidexterity-organizational competitive advantage nexus will bring about an empirical evidence regarding firm-level ambidexterity's contribution to competitive advantage and thus enrich the existing literature.

In the same vein, firm-level ambidexterity has been found to have positive relationship with dynamic capabilities, in which both constructs enable the firms to remain competitive in a rapidly changing environment (Jurksiene & Pundziene, 2016). Thus, research on the roles played by firm-level ambidexterity and dynamic capabilities in achieving and sustaining competitive advantages is noteworthy, but there is shortage of research in this research field (Popadiuk, Luz & Kretschmer, 2018). Also, dynamic capabilities-firm-

level ambidexterity connection has not yet been sufficiently studied in the literature (Jurksiene & Pundziene, 2016). There is thus need for further theoretical development of the dynamic capabilities-firm-level ambidexterity nexus. Also, a finding from the literature survey conducted by Jurksiene and Pundziene (2016) signified the need for empirical research on the relationship between firm-level ambidexterity and organizational competitive advantage.

Given the above literature survey, the current study designs the following research framework:

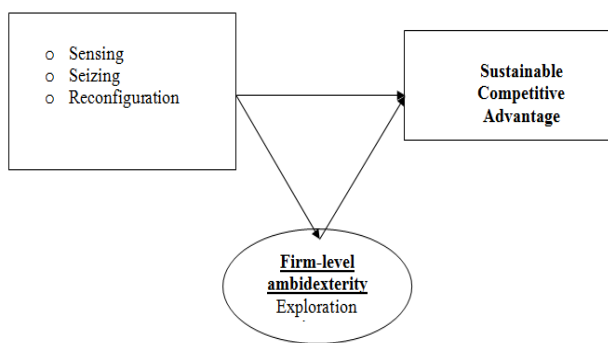


Figure 1: Research Framework.

IV. HYPOTHESES DEVELOPMENT

Based on the comprehensive literature survey above, this research formulates the research hypotheses as given below:

- i. Dynamic capabilities have a significant positive effect on sustainable competitive advantage of banks in Qatar.
- ii. Dynamic capabilities have a significant positive effect on firm-level ambidexterity in the context of banks in Qatar.
- iii. Firm-level ambidexterity has a significant positive effect on sustainable competitive advantage of banks in Qatar.
- iv. Firm-level ambidexterity mediates the relationship between dynamic capabilities and sustainable competitive advantage in the context of banks in Qatar.

V. METHODOLOGY

Being a research that employs cross-sectional survey approach, data were obtained from the 224 branch managers, operation managers, and quality managers of the 16 selected banks in Qatar through questionnaires. The respondents of the study were selected on the premise that they have first-hand information about the

operation and quality management, and the survival of the organizations hinges on them. While the samples of the respondents were determined using Krejcie and Morgan's (1970) sample size determination approach, the sampling technique employed to sample the respondents was systematic sampling technique. This is underlined by the fact that the approach is cost-effective, time and money-saving (see Sekaran & Bougie, 2010; Zikmund et al., 2010).

Drawn upon the position held by Sekaran's (2003) that 30% response rate is sufficient for survey, the response rate is adequate and satisfactory as 195 questionnaires, representing 87%, were returned out of 224 questionnaires distributed to the respondents. The demography of the respondents indicates that 125, representing 64% of the respondents of this study, are branch managers while 65 (33%) are operation managers. The remaining respondents are quality managers. While the majority of the respondents are male, 73% of the respondents have over 10 years of working experience in the banking sectors and have engaged in several strategic management processes in their respective workplaces.

In addition, data were analyzed using the approach that comprises measurement model and structural model estimation. This approach was employed through Smart PLS-SEM. PLS-SEM path modelling represents the conventional regression technique with additional capability to simultaneously estimate the relationships among variables (i.e. structural model) and the relationships among the indicators and their matching latent variables (i.e. measurement model) (Chin, Marcolin, & Newsted, 2003; Duarte & Raposo, 2010). The choice of this approach is underlined by the fact that PLS path modelling is considered suitable for the studies that are exploratory in nature, prediction-oriented and extension of the standing theories (see Hair, Ringle, & Sarstedt, 2011).

Moreover, the measures of competitive advantage were adapted from Guimarães, Severo, and Vasconcelos (2017). The six instruments with which the construct is measured border on valuable resources, rare resources, imperfectly imitable resources, strategically irreplaceable, environmental sustainability, and key resources use. Dynamic capabilities, which are measured with its three measures (i.e., sensing, seizing and reconfiguration) have 15 instruments adapted from Sharma and Vredenburg (1998); Teece (2007) and Wang and Ahmed (2007). Firm-level ambidexterity was measured with exploration

and exploitation measures; each has 4 items adapted from He and Wong (2004). All the items were scaled with 5-Likert scale.

VI. RESULTS AND DISCUSSION OF RESULTS

Measurement model evaluation comprises evaluation of internal consistency, convergent validity and discriminant validity (see Hair et al., 2017). Internal consistency and convergent validity were examined using the values of items' loadings and composite reliability and AVE. Based on the results contained in Table 1 and Figure 2, the items of each construct, which portray high values ranging between 0.615 and 0.901, are retained. Only one item from firm-level ambidexterity was deleted, since they are found to be lower than the threshold of 0.50 (see Hair et al., 2017).

Additionally, composite reliability scores of all the constructs and sub-constructs exceed the threshold of 0.7 set by the scholars (see Hair, et al., 2017). Likewise, AVE values of all the constructs and sub-constructs exceed the threshold of 0.5 (see Hair, et al., 2017). All these confirm the internal consistency and convergent validity of the

entire constructs of the study. Also, discriminant validity of the constructs is confirmed, because the HTMT values for all the pairs of constructs in a matrix were below the threshold value of 0.90. Conclusively, the reliability and validity of the study's construct have been confirmed via measurement model evaluation as all the criteria were met.

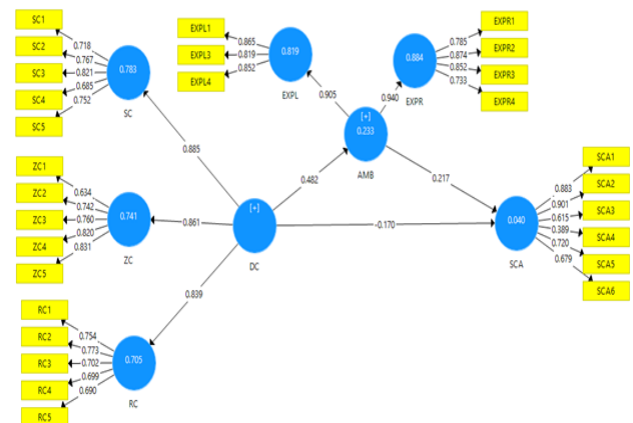


Figure 2: Measurement Model.

Table 1: Measurement Model Evaluation

Constructs	Internal Consistency and Convergent Validity					
	Dimensions	Items	Loadings	CA	CR	AVE
Firm-level ambidexterity	Exploitation	EXPL1	0.865	0.801	0.883	0.715
		EXPL3	0.819			
		EXPL4	0.852			
	Exploration	EXPR1	0.785	0.827		
		EXPR2	0.874			
		EXPR3	0.852			
		EXPR4	0.733			
Dynamic Capabilities	Sensing	SC1	0.718	0.804	0.865	0.563
		SC2	0.767			
		SC3	0.821			
		SC4	0.685			
		SC5	0.752			
	Seizing	ZC1	0.634	0.819	0.872	0.578
		ZC2	0.742			
		ZC3	0.760			
		ZC4	0.820			
		ZC5	0.831			
	Reconfiguration	RC1	0.754	0.773	0.846	0.525
		RC2	0.773			
		RC3	0.702			
Sustainable Competitive Advantage		SCA1	0.883	0.874	0.858	0.517
		SCA10	0.901			
		SCA14	0.615			

SCA18	0.789
SCA2	0.720
SCA3	0.679

Discriminant Validity: Heterotrait-Monotrait Ratio (HTMT)

Constructs	EXPL	EXPR	RC	SC	SCA	ZC
EXPL						
EXPR	0.863					
RC	0.491	0.545				
SC	0.398	0.483	0.794			
SCA	0.143	0.173	0.187	0.142		
ZC	0.487	0.392	0.673	0.768	0.137	

Note: CA: Cronbach Alpha; CR: Composite Reliability; AVE: Average Variance Extracted; AM: Firm-level ambidexterity; DC: Dynamic Capabilities; SCA: Sustainable Competitive Advantage.

Structural model evaluation was done to test the hypotheses of the study. The results contained in Figure 2 indicates that the value for R square was 0.040 signifying that dynamic capabilities with all its dimensions (i.e., sensing, seizing, and reconfiguration) and firm-level ambidexterity together with its dimensions (i.e., exploitation and exploration) explain 40% of the variance in sustainable competitive advantage. This value of R2 is statistically moderate and acceptable (see Cohen, 1988). Furthermore, the results in Figure 3 and Table 2 show that the direct path between firm-level ambidexterity and sustainable competitive advantage (AMB -> SCA), between dynamic capabilities and firm-level ambidexterity (DC -> AMB) and between dynamic capabilities and sustainable competitive advantage (DC-> SCA) are significant and positive ($\beta = 0.217, t = 4.282, p < 0.001$; $\beta = 0.484, t = 10.796, p < 0.001$; $\beta = 0.176, t = 3.359, p < 0.05$) respectively. This result signifies that Hypotheses 1, 2 and 3 (H1,H2 and H3) are supported.

The indirect effect (DC -> AMB -> SCA ($\beta = 0.105, t = 3.962, p < 0.001$) is also significant and positive, and the obtained 95% confidence intervals do not consist of zero. Thus, it can be stated that firm-level ambidexterity partially mediates the relationship between dynamic capabilities and sustainable competitive

advantage. Hence, Hypotheses 4 (H4) is also supported. In this present mediation model, firm-level ambidexterity represents a unique mechanism for explaining the relationship between dynamic capabilities and sustainable competitive advantage. Hence, what necessitates the positive indirect effect through the mediator variable (firm-level ambidexterity) exposes the ‘true’ relationship that exists between dynamic capabilities and sustainable competitive advantage (Hair et al., 2017). Regarding the predictive relevance of this study’s research model, the cross-validation redundancy (CVR) value of 0.124 indicates that the research model has adequate predictive relevance (see Fornell& Cha, 1994).

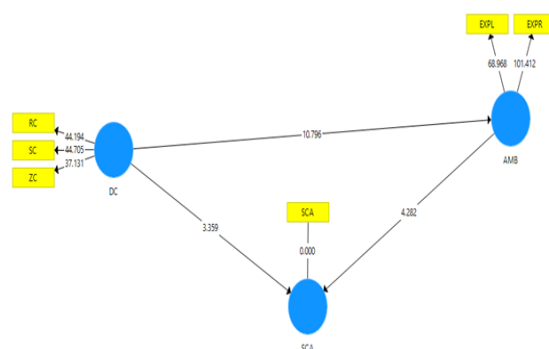


Figure 3: Structural Model.

Table 2: Structural Model Evaluation

	BETA	STDEV	T Stat	P Values	2.5%	97.5%	Decision
Direct Paths							
DC -> SCA	0.176	0.052	3.359	0.001	0.109	0.307	Supported
DC -> AMB	0.484	0.045	10.796	0.000	0.397	0.566	Supported
AMB -> SCA	0.217	0.051	4.282	0.000	0.273	0.060	Supported
Mediating Effect							
DC -> AMB -> SCA	0.105	0.026	3.962	0.000	0.054	0.159	Partial Mediation

The results obtained from the structural model assessment are very important and provide profound insights for the theory and practice and thus enrich the extant literature. In the first place, the findings of the study support the position held by Turner et al. (2013). Also, the findings advance the present body of knowledge further and enrich the literature. The study's findings constitute the starting point of the empirical evidence with regards to firm-level ambidexterity-sustainable competitive advantage relationship, since the scholars have revealed that firm-level ambidexterity-sustainable competitive advantage relationship has not been empirically established (see O'Reilly & Tushman, 2013; Jurksiene & Pundziene, 2016).

The finding regarding the dynamic capabilities' relationship with firm-level ambidexterity affirms that both firm-level ambidexterity and dynamic capabilities could be regarded as organizational capabilities (see O'Reilly & Tushman, 2013; Teece et al., 1997). The two constructs could be considered processes involving sensing the environment, then seizing and taking the right decisions. Also, both constructs imply similar capabilities (Jurksiene & Pundziene, 2016). This finding also affirms the position of Popadiuk, Luz and Kretschmer (2018) that both constructs comprise organizational routines in which exploration can be done in the sensing phase which focusses on discovering opportunities, knowledge, and innovation. The exploitation capability takes place during seizing stage which involves continuous realignment of resources to sustain efficiency.

Furthermore, it can be inferred from the findings of this research that intersection of dynamic capabilities and firm-level ambidexterity would consequently give rise to sustainable competitive advantage. Exploration capability can be utilized through the sensing phase of searching for opportunities in relationship to customer needs. The exploitation capability could be employed in the seizing phase where the continuous realignment and reconfiguration of the resources is reflected in the processes to sustain organizational competitive advantage.

For the banking sector in Qatar, sensing could be identification and assessment of new emerging opportunities in the banking environment. Then, this is followed by seizing necessary resources to address, grasp, and capitalize the opportunities and transforming/reconfiguring the organizational resources to enhance sustainable competitive advantage for the

banks in the country. The management of the banks should entrench both dynamic capabilities and ambidextrous capabilities to create, integrate, and reconfigure organizational resources and competences.

The result from the structural model analysis also establishes that sustainable competitive advantage is explained by dynamic capabilities and firm-level ambidexterity with the effect size (f^2) of 0.010 and 0.538 respectively (Hair, Hult, Ringle, Sarstedt, 2013). This indicates strong and effective firm-level ambidexterity is in the achievement of sustainable competitive advantage. In fact, the result signifies further that without firm-level ambidexterity, dynamic capabilities might not have meaningful impact on sustainable competitive advantage.

VII. CONCLUSION

Overall, the findings of the study highlight the important role played by organizational firm-level ambidexterity in achieving sustainable competitive advantage through dynamic capabilities, indicating that firm-level ambidexterity is a strong and fitting mechanism through which the dynamic capabilities-sustainable competitive advantage connection could be boosted. In fact, the current study's findings substantiate the assertion that firm-level ambidexterity's relationship with dynamic capabilities will enable the firms to remain competitive in a rapidly changing environment (Jurksiene & Pundziene, 2016). Thus, this study has enriched the existing literature and expanded the extant body of knowledge in the strategic management research field.

Also, the study has some implications for practice (Qatar banking sector). The findings of this study point out that dynamic capabilities may not be effective enough to enhance sustained competitive advantage in the present dynamic environment in the Qatar banking sector, but with firm-level ambidexterity this could be attained easily, given that dynamic capabilities and firm-level ambidexterity have been identified as the mechanisms that can facilitate recognition of external opportunities and the internal strategic factors and consequently enhance organizational sustainable competitive advantage (see Breznik & Lahovnik, 2016). This research could serve as a point of empirical reference for the future research. So, to solidify the empirical evidence provided in this study, future studies should replicate the study in diverse contexts.

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