

THE EFFECT OF AMBIDEXTROUS LEADERSHIP AND SOCIAL MEDIA ON CORPORATE PERFORMANCE: THE MEDIATING ROLE OF DIGITAL TRANSFORMATION

MARINDRA BAWONO¹, IDRIS GAUTAMA², AGUSTINUS BANDUR³, FIRDAUS ALAMSJAH⁴

^{1,2,3} Management Department, BINUS Business School Doctor of Research Management, Bina Nusantara University, Jakarta, Indonesia 11480

⁴ Industrial Engineering Department, BINUS Graduate Program - Master of Industrial Engineering, Bina Nusantara University, Jakarta, Indonesia 11480

Email: marindrabawono1@gmail.ac.id, igautama@binus.edu, abandur@binus.edu, alamsjah@binus.edu

ABSTRACT

This paper aims primarily to examine the effect of ambidextrous leadership and social media on company performance and to measure the mediating role of digital transformation of telecommunications companies in Indonesia. For this main purpose, a quantitative research dimension is applied with particular reference to surveys. This research was conducted using quantitative methods to collect and analyze data, integrate findings, and draw conclusions. The sample in this study amounted to 180 (0.72%) complete questionnaires which were processed in quantitative testing. The main results show that Based on the discussion above, it is concluded that ambidextrous leadership has a positive effect on company performance, ambidextrous leadership has a positive effect on digital transformation, Social Media has a positive effect on digital transformation, Social Media has a positive effect on Firm performance and Digital transformation has a positive effect on Firm performance. . The study suggests utilizing extraordinary plans to identify external and internal situations during and after the coronavirus (COVID-19) pandemic.

Keywords - *Ambidextrous leadership, Social Media, Digital transformation, Corporate performance*

1. INTRODUCTION

Over the years, technology has changed the world and everyday life. Technology has made gadgets and resources amazing, putting useful information at fingertips. Back in the 1990s, the Internet was a novel material, to which not all households and industries had begun to gain access. Modern technology has taken advantage of the way to multifunctional devices such as smartwatches and smartphones. Computers are more agile, more portable, and more powerful than ever. Technological improvements have provided faster channels for interaction via instant messaging apps and social media platforms.

The use of social media has revolutionized the business world and is one of the transformative impacts of information technology in business, both within and beyond company boundaries [1]. Social Media includes a wide variety of tools and platforms (Social Networks, Blogs, Online Communities...) with commonalities that connect users in ways that allow bridging distances,

networking and other interactions [2]. Social media has been defined as “a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and which enable the creation and exchange of user-generated content” [3].

In an era of inevitable change and transformation, the ability to cope with uncertainty is increasingly important [4]. To succeed and survive in the long term, organizations must find new ways to deal with rapid technological innovations in order to remain competitive. However, dealing with rapid innovation is a complicated process, and about 70 percent of all companies fail in their transformation [5]. Although much research has been devoted to answering how organizations survive environmental changes, they are still struggling to adapt.

Ambidextrous leaders apply open leader behavior to encourage employees to proactively seek new ideas and solutions and then turn to closed leader behaviors to encourage employees to

implement these ideas and solutions. Therefore, in a company, ambidextrous leadership has the capacity to promote proactiveness, innovation, and risk taking by employees [6]. The interaction between opening and closing behavior predicts innovative performance in employees. Therefore, a greater interaction between the two behaviors means a higher level of innovation.

The telecommunications industry from the ICT industry has become a part of the Indonesian economy and has contributed significantly to the equitable distribution of Indonesia's economic development, especially outside Java. Indonesia is the largest archipelagic country in the world consisting of 17,504 islands with the characteristics of many remote and remote areas [7].

As telecommunications infrastructure and information technology have developed rapidly, the field of study of corporate performance has become more important than nothing which has brought about the need for new models to examine how companies will survive the challenges of a pandemic. Prior to the pandemic situation, Indonesia in 2018 was the largest in Southeast Asia and will be the center of cloud growth for the target overall market size of 1.218 Trillion USD by 2022 [8]. This means that at that time Indonesia was the main market for Telecommunication and Digital development in Southeast Asia for Multi-National Information and Communication Technology Companies in the context of international expansion [8]. However, after the COVID-19 pandemic occurred in Indonesia, the situation changed drastically, which caused telecommunications infrastructure operators to decide to postpone investment in infrastructure development (New Capex) for 2020 and 2021 [9]. The performance of ICT industry companies in Indonesia, especially telecommunications, experienced a sharp decline in legacy revenue and an increase in data revenue, but on a consolidated basis there was a decline in the performance of telecommunications industry companies.

In March 2020. The COVID-19 pandemic that hit the world and arrived in Indonesia had a significant impact on behavior change (new normal) for Telecommunication service customers, there was a significant spike in data traffic, impacting the company's ICT and Telecommunication performance [10]. The innovation of new digital Telecommunication products and services cannot drive the decline in Revenue Legacy, to increase the company's revenue; new digital business model innovation is

needed in cooperation between telecommunication industry players [9].

Much effort has been made to deliver the promise of new solutions as well as provide data-driven insights. However, only a few studies have provided testable results due to the lack of skillful ability and dexterity of people to come up with these solutions. Recent research promises a new approach to generate development plans for growth as a component of enterprise performance by promoting business processes and corporate behavior to deal with market turbulence. For example, based on previous research involving 112 Communication and IT companies in Spain in 2007-2008, it has been shown that company agility [11] is the main determinant of positive company performance [12].

Previous studies have proposed that ambidextrous leadership has become the main driver for improving company performance [13]. In previous sources, Ambidextrous Theory has been associated with innovation theory which explains how leaders have a positive role in corporate innovation. However, understanding how people engage in technology-based processes is a complex task and warrants exploration of how people have a role in corporate innovation theory. For example, research has surveyed corporate innovation by collecting data from 33 team leaders and 90 employees with positive results confirming the relationship [10].

From various descriptions related to the previous phenomenon, it is interesting to conduct research to find applicable strategies carried out by telecommunication industry players in order to survive in the midst of a pandemic. Therefore, we collect five determinants (for example, company performance, ambidextrous leadership, social media, and digital transformation) as a new model of survival strategy implemented by the telecommunications industry players in Indonesia.

2. LITERATURE REVIEW

2.1. Digital transformation

In recent years, digital transformation has emerged as an important research topic as the entrance of new digital technologies is forcing incumbent companies in various sectors to transform their businesses. As an emerging topic, digital transformation has gained significant interest, which has resulted in multiple research directions and complex research areas [14]. For example, DT has become an important factor in research for information systems [15, 16], and the existing literature deals with the adoption and use

of digital technologies [17,18]. In addition, DT has been investigated both in the marketing literature on the effects of social media and digital advertising [19] and in the strategic management literature on the “conceptualization, operationalization, and updating of business models” [20]. As a result, the lack of evidence for a shared understanding of the phenomena of this study, and Williams et al. [18] emphasize the need to understand when, why, and how digital transformation works because existing research is still incomplete.

2.1. The influence of Ambidextrous leadership on firm performance

Sources from other studies found that separate innovation units increase exploration, exploitation, and ambidexterity in production and service companies. The research carried out by Blindenbach-Driessen & Van den Ende [21] stated that production and service corporations’ benefit from the separation of innovation units, with a more significant impact on manufacturing companies. Based on the above idea, we formulated the hypothesis as following:

H1: Ambidextrous leadership has a positive and significant effect on firm performance in the telecommunication companies in Indonesia.

2.2. The influence of Ambidextrous leadership on Digital transformation

Benner and Tushman [22] point out that the logic of innovation activities has fundamentally changed due to the dramatic reduction in communication and information processing costs triggered by digitization and the internet. Thus, a question has been raised about whether and how ambidextrous learning affects organizational performance in digital transformation. Thus, entrepreneurial leadership may be an antecedent of ambidextrous learning in digital transformation, but its important role does not seem to attract attention. More importantly, organizations do not operate in a vacuum; External and internal contexts that may affect their organizational outcomes must be considered [23]. Previous studies noted that digital technology has transformed various operational processes in the aspects of communication, decision making, and coordination of organizational activities [24,25].

H2 : Ambidextrous leadership has a positive and significant effect on Digital transformation.

2.3. The Effect of Social Media on Digital Transformation

This study also argues that boundary conditions through the influence of social media agility on company survival can be explained through ambidextrous marketing capabilities. In other words, the deployment of outside-in and inside-out marketing capabilities will explain and enhance how social media agility enhances business viability. This is because social media agility is more than a platform for volunteer customer feedback to become a marketplace. Social Media Technology can help increase the dimensions of an organization's Corporate Entrepreneurship [26]. This technology has changed the way business is conducted, enabling open communication and valuable feedback from customers and partners. The use of Social Media helps organizations to understand customer needs and respond to them proactively, thereby increasing the success of innovation. Despite the company's desire to embrace Social Media tools to connect with customers and enhance innovation, much skepticism exists regarding its efficacy [27].

H3 : Social Media has a positive and significant effect on Digital transformation.

2.4. The Influence of Social Media on Firm Performance

By using social media, customers have access to multiple sources of information shared with other customers regarding their experiences and recommendations. This affects their purchasing decisions [28]. Therefore, the important role of social media in developing relationships and trust with potential customers, suppliers and partners is a significant consideration for companies. Corporate engagement in social media offers value to their business including increased brand value [29,30]; sales growth [31]; e-commerce and social commerce [32]; customer trust and stickiness [33]; innovation and new product development [34]; sharing knowledge [35]; CRM, customer relationship management, eWOM [36].

H4 : Social Media has a positive and significant effect on Firm performance.

2.5. The Influence of Digital transformation on Firm Performance

Digital transformation provides a competitive advantage for telecommunication companies that significantly impact the Innovation Business and Digital Business Innovation on Firm Performance [37]. Research obtained from other sources indicates that Apple initially focused on hardware and software innovation. However, after the iPod and iTunes innovations, which led to a new

Business Model with an increase in revenue, profit and stock price changes, Digital Business Model Innovation had an accurate and significant impact on the Company's Business Performance [38]. Studies on marketing and organizational innovation have an accurate and significant effect on firms with high-tech technology. This study proves a synergy effect between innovation and Firm Performance depending on the level of innovation and industry category [39].

Therefore, in accordance with this idea, it was assumed that Digital Business Model Innovation has an accurate and significant effect on Firm Achievement in the telecommunication companies in Indonesia. This means that the firm performance increases with the rise in innovation. Value proposition innovation helps firms to extend their product and service portfolios and addresses new market needs, which have been instrumental to firm performance. Value capture innovation helps firms to realize new revenue streams, in addition to existing revenues, or to substitute the less profitable ones, thus enhancing the prospect of future returns. Value capture innovation can also strengthen business performance through improved cost structure, resulting in the reduction of inefficiencies. The above discussion leads us to the following hypotheses:

H5: Digital transformation has a positive and significant effect on firm Performance in the telecommunication companies in Indonesia.

3. RESEARCH METHODOLOGY

A causal research design is used to measure the relationship between Ambidextrous leadership and Social Media on Digital transformation and Firm performance. While the descriptive research design is used to describe or explain the variables studied and to see the relationship and dependence of these variables on their sub-variables.

The research design in this article is centered on estimates and measurable data. The first stage begins with identifying the problems that exist in private companies. The purpose of this study was to explain the relationship between several variables that scored [35]. After identifying the problem, collect theories from various references that will become the basis for conducting research. Furthermore, collecting theories related to research, then from the results of mini research conducted on ERP users, then the formulation of the problem is carried out.

The purpose of this survey is to get an idea of how Ambidextrous leadership and social media influence digital transformation and firm

performance. This study uses nonprobability sampling because it does not need to determine the number of samples [40]. Through the distribution of survey questionnaires because data from the evaluation is available, an analysis of the evaluation results is carried out. The research was conducted by conducting several tests such as the Outer Model and Inner Model.

Primary data was collected through a survey to obtain a sample using certain appropriate considerations as respondents, both domiciled in DKI Jakarta. In the end, a sample of 100 respondents met the requirements. In addition, the data analysis technique used in this study is SEM (Structural Equation Modeling) analysis in the PLS (Partial Least Square) program. This study aims to determine the direct and indirect variables.

3.1. Variables and Indicators.

Variables and indicators in research are critical components. From the specified variables, a list of questions will be formed, distributed to respondents whose data collected will be used as material for analysis into SmartPLS. Meanwhile, when determining the most critical variables, it is when formulating several concepts of events in an organization that occur in case studies that will be research material [16]. The data variables to be taken in private companies are as follows.

Furthermore, the statistical tool used to process the data is the partial least square-structural equation modeling or abbreviated as PLS-SEM with the SmartPLS program. Questionnaire items for Ambidextrous constructs were adapted from [38], Social Media constructs, [39], firm performance constructs [36,31], Digital transformation constructs from [31] and combined with scale development. Measurement of items using a 5-point Likert scale, ie points 1 to 4 points, where 1 = strongly disagree, 2 = disagree, 3 = agree and 4 = strongly agree.

The sampling technique was done by convenience sampling. The number of samples is 100 respondents.

3.2. Demographic respondents

Table 1: Characteristics of respondents in this study

Respondents	Total	
	Person	%
Respondents by gender		
• Men	65	65%
• Women	35	35%
Respondents by work experience		
• > 5 years	2	2%
• 5-10 years	8	8%
• 10-20 years	15	15%
• 20-30 years	19	19%
• 30-35 years	56	56%

Respondents by age		
• 30-35 years	2	2%
• 35-40 years	7	7%
• 40 -45 years	18	18%
• 45 -50 years	16	16%
• 50 -55 years	57	57%
Respondents based on WORK position		
• GM	2	2%
• SGM	9	9%
• CEO	13	13%
• VP	76	76%
Respondents based on education level		
• High (D3, S1)	23	23%
• S2	55	55%
• S3	22	22%

Source: interview

Through Table 1, the characteristics of the respondents viewed from the demographic aspect, namely gender, work experience, age, education, and position at work show some interesting information. Based on gender, the percentage of male respondents is 65% and for female respondents is 35% of the total sample size. gender, based on work experience shows that the greatest work experience is between 30-35 years (56%), respondents based on age indicate that most respondents are 50-55 years old (57%), based on work position shows that respondents occupy the most VP level as many as 22 respondents (22%) and based on the education of most respondents have a master's degree as many as 55 respondents (55%).

4. ANALYSIS AND DISCUSSION

4.1. Validity and reliability of the proposed model

In evaluating the construct validity tests, the composite reliability and Cronbach's Alpha are employed, where a confirmatory assessments is used to assess the validity and reliability. In addition to construct validity tests, construct reliability tests were also carried out as measured by composite reliability and Cronbach's Alpha (CA) from construct measuring block indicators. The rule of thumb that is usually used to assess construct reliability is the Composite Reliability (CR) value of 0.70 for confirmatory assessments, where values 0.60 to 0.70 are still acceptable for exploratory assessments. The results are given in table 2.

From table 2, it shows that respondents have identified and contributed in this work, and they also have evaluated the effectiveness of the human feedback before applying it as a correction to the proposed model. This evaluation has a goal to

check the composite reliability which impacted on the feasibility of the proposed model. The testing results showed that there are increase in the acceptability of the model and the credibility of its predictions. This means that the proposed model is suitable. In addition, a construct is declared reliable if it has a composite reliability (CR) value above 0.70 and Cronbach's alpha (CA) above 0.60. From the SmartPLS output above, all constructs have CR values above 0.70 and CA above 0.60. So it can be concluded that the construct has good reliability.

Table 2. Construct Reliability and Validity

VARIABLE & INDICATORS		OUTER LOADING		
AMBIDEXTROUS				
A1	Leader allows various efforts to complete work	0.880	CA=0.924 CR=0.943 AVE=0.768	
A2	Leader allows to think and act independently	0.931		
A4	Leader allows regulations so that field implementation runs smoothly	0.767		
A6	Leader allows a plan is implemented according to plan	0.883		
A7	Leader allows space to express opinions	0.912		
SOCIAL MEDIA				
OA1	Social media remotely can allow customers to connect with companies to exchange information	0.730		CA=0.916 CR=0.934 AVE=0.705
OA2	Help foster customer relationships, increase customer equity	0.690		
OA4	Use social media to create new products for customers	0.908		
OA5	Social media improves connectivity with relevant market agents and enhances knowledge gained over time to improve organizational performance	0.871		
Digital transformation				
D1	Focus on customer value proposition	0.808	CA=0.899 CR=0.923 AVE=0.666	
D2	Changing the operating model	0.706		
D3	Combining both approaches by simultaneously changing the customer value proposition and setting up operations for delivery.	0.869		

D4	Organizations that are able and willing to do so are in a unique position to seize industry leadership.	0.84 1	
D5	creating basic operating capabilities such as online channels or digital supply chain tracking	0.82 9	
FIRM PERFORMANCE			
F1	Leader allows the employee to increase the firm profit relative to competitors	0.73 0	
F2	Leader allows the employee to increase annual ROE from the previous year relative to competitors	0.69 0	
F3	Leader allows to increase annual ROA relative to competitors	0.90 8	CA=0.9 10 CR=0.9 31 AVE=0 .696
F4	Leader allows to increase sales relative to competitors	0.87 1	
F5	Leader allows employee to create Annual Share Growth relative to competitors	0.86 0	
F6	Leader allows the employee to develop growth in the number of annual share transactions relative to competitors	0.91 8	

Source: analysis result (2021)

4.2. Average extracted variance (AVE) of each tested construct

AVE represents the design and evaluation quality of the proposed model. It is a statistics formula to look at empirical data of usable models and enables to determine the correlation coefficient. It also enables the statistical systems to learn, automatically, from observations and improve from their experiences without being programmed explicitly [41]. AVE has the ability to learn from data and sometimes performs good statistics prediction of the purposes of the proposed model. Hence AVE contains the features to be carefully and correctly selected. It optimizes the proposed model which allowing iterative interactions and comparison among the users. Therefore, AVE score represents that the approaches are effective in solving problems that have complex/scarc data sets. The results of the AVE are given in table 3.

Table 3. Discriminant Validity : HT/MT Ratio

Variables	Ambidextrous	Social Media	Firm Performance	Digital transformation
Ambidextrous				
Social Media	0.944			
Firm Performance	1.014	1.055		
Digital transformation	0.957	1.069	1.044	

Source: analysis result (2021).

From table 3, the diagonal score in bold is the average extracted variance (AVE) of each individual construct. The off-diagonal score is the squared correlation between them. Discriminant validity was evaluated using the Heterotrait-Monotrait Ratio (HTMT) criteria presented in Table 2. Discriminant validity was measured by the square root value of each AVE indicated in the diagonal cell and required to be greater than the correlation coefficient (a value other than the value in the cell diagonal). Table 2 shows that this requirement was also met and thus the discriminant validity proved adequate for the factors evaluated in this study. The factors can be graded as having a mean rating of ambidextrous leadership of Social Media (0.944), firm performance (1.014 and 1.055), and Digital transformation (0.957, 1.069, and 1.044).

4.3. Predictive feature of t-statistic

High tech firm which have implemented telecommunication technology is our concern. In this section, we conducted t-statistics testing to evaluate the primary data collected through the survey to get the respondents answer, living in either in big cities or small cities in Indonesia. Their answers are used in the testing with the goal to be a predictive model. The testing approach is conducted in this research is SEM (Structural Equation Modeling) analysis in the PLS (Partial Least Square) program. This research aims to figure it out direct and indirect variables. To assess the significance of the predictive model in testing the structural model, it can be seen from the t-statistic value between the independent variables and the dependent variable in the Path Coefficient table at the SmartPLS output in table 4 below.

Table 4. Testing result of t-statistics and p-value

Hypothesis	T-statistics	P-values	Result
H1 Ambidextrous Digital transformation →	4,438	0.000	Hypothesis is Supported
H2 Ambidextrous Firm Agility →	8,428	0.000	Hypothesis is supported
H3 Social Media Digital transformation →	4,034	0.000	Hypothesis is supported
H4 Social Media Firm Performance →	3,896	0.000	Hypothesis is supported
H5 Digital transformation Firm Performance →	2,663	0.015	Hypothesis is supported

Source: analysis result (2021).

Each Hypothesis has score given by SmartPLS representing the hypothesis feasibility to be supported or rejected. Meanwhile, when determining the most critical variable, it is during formulating several concepts of events in an organization that occur in case studies that will become research material [16]. The testing is to be taken after the sampling technique is done this testing is important as a comprehensive understanding of how to read and use the results plotted in these figures can assist management in improving firm performance.

4.4. Final model of firm performance

The final model of firm performance must meet two requirements prior to any application: (a) all indicators must have the same orientation, and (b) the external weights must not be negative [42]. This requirement has been met. Based on Figure 1. The final model of company performance explains that the most important thing is that all variables have a diversification effect that must be improved in response to changes in business dynamics. While the important variables that must be maintained are ambitious leadership and social media because they affect the other two variables to create company performance.

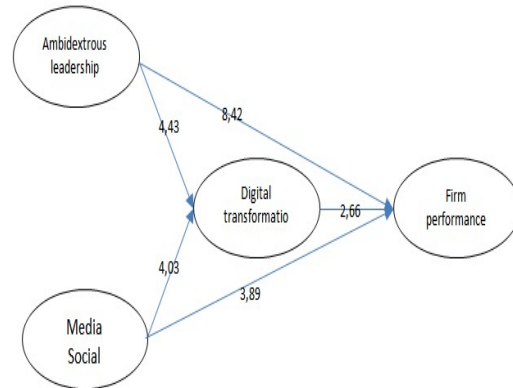


Fig.1. Final proposed model with testing result
Source: analysis results (2021)

4.4.1. The influence of Ambidextrous leadership on company performance

The survey results show that many high-tech companies have implemented new innovative technologies to maintain their company's performance. From the test results, the T-statistical value (8.428) > 1.96 and the original sample value 0.876 (positive sign). From these results, the hypothesis which states that ambidextrous leadership has a positive effect on company performance is accepted. Sources from other studies find that separate innovation units increase exploration, exploitation, and ambidexterity in production and service firms. Research conducted by Blindenbach-Driessen & Van den Ende [21] states that production and service companies benefit from the separation of innovation units, with a more significant impact on manufacturing companies. Regarding the mediating effect of ambidextrous ability on the interaction between firm-level capabilities and firm performance. The submission of Martínez-Climent et al. [6] provide reasons to believe that market ambidexterity indirectly affects sales growth. Theoretical implication, the finding of this study provide evidence that ambidextrous leadership has direct effect to firm performance, as Alghamdi [43] stated that leadership is the key to achieve an innovative environment within any organization. The success of Ambidextrous Leaders has to able to achieve optimal balance in exploiting and exploring all activities within the company.

4.4.2. The influence of Ambidextrous leadership on Digital transformation

The survey results show that the influence of ambidextrous leadership on digital transformation. From the test results, the T-statistical value (4.438) > 1.96 and the original sample value 0.685 (positive sign). From these results, the hypothesis which states that ambidextrous leadership has a positive effect on digital transformation is accepted. By increasing resource utilization and enlarging the resource pool, high-level exploratory and exploitative learning contributes to organizational performance in digital transformation. In particular, resource awareness stemming from high-level exploitative learning helps organizations effectively allocate and reconfigure existing resources [14]. Benner and Tushman [22] point out that the logic of innovation activities has fundamentally changed due to the dramatic reduction in communication and information processing costs triggered by digitization and the internet. Thus, a question has been raised about whether and how ambidextrous learning affects organizational performance in digital transformation. As is clear from above, it isn't just CEOs and top management that need to think ambidextrously. It is no longer enough to set up a standalone innovation team or incubator separate from the existing business. At best this is as unlikely to result in a successful venture as any speculative start-up; and at worst it removes the skills and incentives to regenerate within the core business[44].

4.4.3. Social Media has a positive and significant effect on Digital transformation

The survey results show that the influence of Social Media on digital transformation. From the test results, the T-statistical value (4.034) > 1.96 and the original sample value 0.677 (positive sign). From these results, the hypothesis which states that Social Media has a positive effect on digital transformation is accepted. This technology has changed the way business is conducted, enabling open communication and valuable feedback from customers and partners. The use of Social Media helps organizations to understand customer needs and respond to them proactively, thereby increasing the success of innovation. Despite the company's desire to embrace Social Media tools to connect with customers and enhance innovation, much skepticism exists regarding its efficacy [26,27,28].. Digital Transformation is a type of Business Transformation driven by emerging technologies. The potential for top line growth and bottom line

savings from the Digital Transformation Program exceeds any other type of Transformation initiative. At its core, Digital Transformation is driven by a real change in the role of technology in an organization[45]

4.4.4. Social Media has a positive and significant effect on Firm performance

The survey results show that the influence of Social Media on Firm performance. From the test results, the T-statistical value (4.034) > 1.96 and the original sample value was 3.896 (positive sign). From these results, the hypothesis which states that social media has a positive effect on firm performance is accepted. Social media includes various forms of online applications such as social networking sites (SNS), blogs, forums, micro blogs, photo sharing, video sharing, product/service reviews, evaluation communities, and social gambling [28,30]. Social media facilitates the process of information sharing and content creation by individuals [31]. People use different online networks such as Facebook, YouTube, Wikipedia, Twitter, Instagram, TripAdvisor, online forums, rating and review forums to share experiences and interact with other users [28].

4.4.6. Digital transformation has a positive and significant effect on firm Performance

The survey results show that the effect of digital transformation on firm performance. From the test results, the T-statistical value (2.663) > 1.96 and the original sample value 0.025 (positive sign). From these results, the hypothesis which states that digital transformation has a positive effect on firm performance is accepted. Research obtained from other sources shows that Apple initially focused on hardware and software innovation. However, after the iPod and iTunes innovations that resulted in new Business Models with increased revenues, profits and changes in share prices, Digital Business Model Innovations had an accurate and significant impact on the Company's Business Performance [15]. . The study of marketing and organizational innovation has an accurate and significant effect on high-tech companies. This study proves that there is a synergistic effect between innovation and company performance depending on the level of innovation and industry category [16,19].

5. CONCLUSION

This study has succeeded in measuring and determining the factors that influence the agility of high-tech companies and the company's performance in the telecommunication industry players. Our proposed model has been positioned as a predictive system model. This work provides an overview of how the human factor along with aspects of information systems can drive digital business model innovation and company performance. By following current trends, application areas, we have measured how enterprise capabilities have a challenging effect on enterprise performance. However, the results of the analysis show that the company's capabilities and digital transformation have a complex role in model innovation in company performance.

Based on the discussion above, it is concluded that ambidextrous leadership has a positive effect on company performance, ambidextrous leadership has a positive effect on digital transformation, Social Media has a positive effect on digital transformation, Social Media has a positive effect on Firm performance and Digital transformation has a positive effect on Firm performance.

Our proposed model also converts empirical data into a usable model using computational statistics in the current SmartPLS software, with humans-in-the-loop being surveyed and asked about their role in enterprise agility and not thereby generating faster, less expensive, interactive and iterative learning processes yield three main theoretical contributions. First, our research provides a starting point for examining the phenomenon of company performance in the COVID-19 pandemic situation in the telecommunications industry. Second, our research provides evidence that ambidextrous leadership in organizations scientific exploration of flexible Leader Opening and Closing behaviors is implemented in this situation. Third, by applying ambidextrous leadership theory to support digital transformation with Opening & Closing behavior, leaders prove a positive relationship to Employee Innovation Performance which will contribute to improving company performance.

The limitation of the sample in this study is because the sample in this study is managers, so it is difficult to get a large sample. The sample (respondents) in this study is very limited because the number and scope of the company's employees are not so large that they cannot be generalized to a wider population. Future research is expected to use a larger and wider sample in order to obtain better

research results, more generalizable, in order to provide a more real picture of employee performance.

For further recommendations, it is necessary to incorporate the role of humans into information computing systems and high-tech enterprises. It is also advisable to examine the role of the cultural variable in high-tech firms.

REFERENCES:

- [1] Aral, Sinan, Chrysanthos Dellarocas, and David Godes. "Introduction to the special issue—social media and business transformation: a framework for research." *Information systems research* 24, no. 1 (2013): 3-13.
- [2] Olanrewaju, Abdus-Samad Temitope, Mohammad Alamgir Hossain, Naomi Whiteside, and Paul Mercieca. "Social media and entrepreneurship research: A literature review." *International Journal of Information Management* 50 (2020): 90-110.
- [3] Kaplan, Andreas M., and Michael Haenlein. "Users of the world, unite! The challenges and opportunities of Social Media." *Business horizons* 53, no. 1 (2010): 59-68.
- [4] Rajabi, Mohsen, and Alireza Bolhari. "Business Transformations: Inevitable Changes of the Era." *Optimization of Supply Chain Management in Contemporary Organizations*. IGI Global, 2015. 61-86.
- [5] Chege, Samwel Macharia, Daoping Wang, and Shaldon Leparan Suntu. "Impact of information technology innovation on firm performance in Kenya." *Information Technology for Development* 26, no. 2 (2020): 316-345.
- [6] Martínez-Climent, Carla, María Rodríguez-García, and Juying Zeng. "Ambidextrous leadership, social entrepreneurial orientation, and operational performance." *Sustainability* 11, no. 3 (2019): 890.
- [7] Rochwulaningsih, Yety, Singgih Tri Sulistiyono, Noor Naelil Masruroh, and Nazala Noor Maulany. "Marine policy basis of Indonesia as a maritime state: The importance of integrated economy." *Marine Policy* 108 (2019): 103602.
- [8] Frost, S. "Sustainable and Innovative Personal Transport Solutions—Strategic Analysis of Carsharing Market in Europe. United Kingdom. Frost & Sullivan." (2018).

- [9] Surizki Febrianto, Suparto. "The State Of Indonesia Needs Investment To Accelerate Infrastructure Development After New Normal Policies Due To Covid-19." (2020).
- [10] Gerpott, Torsten J., Wolfgang Rams, and Andreas Schindler. "Customer retention, loyalty, and satisfaction in the German mobile cellular telecommunications market." *Telecommunications policy* 25, no. 4 (2001): 249-269.
- [11] Ghezzi, Antonio, Marcelo Nogueira Cortimiglia, and Alejandro Germán Frank. "Strategy and business model design in dynamic telecommunications industries: A study on Italian mobile network operators." *Technological Forecasting and Social Change* 90 (2015): 346-354.
- [12] Navarro, Juan Gabriel Cegarra, Pedro Soto-Acosta, and K. Anthony. "Structured knowledge processes and firm performance: The role of firm agility." *Journal of Business Research* (2015).
- [13] Alghamdi, Faris. "Ambidextrous leadership, ambidextrous employee, and the interaction between ambidextrous leadership and employee innovative performance." *Journal of Innovation and Entrepreneurship* 7, no. 1 (2018): 1-14.
- [14] Priyono, Anjar, Abdul Moin, and Vera Nur Aini Oktaviani Putri. "Identifying digital transformation paths in the business model of SMEs during the COVID-19 pandemic." *Journal of Open Innovation: Technology, Market, and Complexity* 6, no. 4 (2020): 104.
- [15] Bharadwaj, Anandhi, Omar A. El Sawy, Paul A. Pavlou, and N. V. Venkatraman. "Digital business strategy: toward a next generation of insights." *MIS quarterly* (2013): 471-482.
- [16] Riasanow, Tobias, Gabriela Galic, and Markus Böhm. "Digital transformation in the automotive industry: towards a generic value network." (2017): 3191.
- [17] Scherer, Ronny, Fazilat Siddiq, and Jo Tondeur. "The technology acceptance model (TAM): A meta-analytic structural equation modeling approach to explaining teachers' adoption of digital technology in education." *Computers & Education* 128 (2019): 13-35.
- [18] Williams, Michael D., Yogesh K. Dwivedi, Banita Lal, and Andrew Schwarz. "Contemporary trends and issues in IT adoption and diffusion research." *Journal of Information Technology* 24, no. 1 (2009): 1-10.
- [19] Miklosik, Andrej, and Nina Evans. "Impact of big data and machine learning on digital transformation in marketing: A literature review." *Ieee Access* 8 (2020): 101284-101292.
- [20] Stubbs, Wendy, and Chris Cocklin. "Conceptualizing a "sustainability business model"." *Organization & environment* 21, no. 2 (2008): 103-127.
- [21] Blindenbach-Driessen, Floortje, and Jan Van den Ende. "The locus of innovation: The effect of a separate innovation unit on exploration, exploitation, and ambidexterity in manufacturing and service firms." *Journal of Product Innovation Management* 31, no. 5 (2014): 1089-1105.
- [22] Benner, Mary J., and Michael L. Tushman. "Reflections on the 2013 Decade Award—"Exploitation, exploration, and process management: The productivity dilemma revisited" ten years later." *Academy of management review* 40, no. 4 (2015): 497-514.
- [23] Ipe, Minu. "Knowledge sharing in organizations: A conceptual framework." *Human resource development review* 2, no. 4 (2003): 337-359.
- [24] Setia, Pankaj, Pankat Setia, Viswanath Venkatesh, and Supreet Joglekar. "Leveraging digital technologies: How information quality leads to localized capabilities and customer service performance." *MIS quarterly* (2013): 565-590.
- [25] Vial, Gregory. "Understanding digital transformation: A review and a research agenda." *The journal of strategic information systems* 28, no. 2 (2019): 118-144.
- [26] Parveen, Farzana, Noor Ismawati Jaafar, and Sulaiman Ainin. "Social media's impact on organizational performance and entrepreneurial orientation in organizations." *Management Decision* (2016).
- [27] Rishika, Rishika, Ashish Kumar, Ramkumar Janakiraman, and Ram Bezawada. "The effect of customers' social media participation on customer visit frequency and profitability: an empirical investigation." *Information systems research* 24, no. 1 (2013): 108-127.
- [28] Chen, Yubo, Scott Fay, and Qi Wang. "The role of marketing in social media: How online consumer reviews evolve." *Journal of interactive marketing* 25, no. 2 (2011): 85-94.

- [29] Hudson, Simon, Li Huang, Martin S. Roth, and Thomas J. Madden. "The influence of social media interactions on consumer–brand relationships: A three-country study of brand perceptions and marketing behaviors." *International Journal of Research in Marketing* 33, no. 1 (2016): 27-41.
- [30] Nisar, Tahir M., and Caroline Whitehead. "Brand interactions and social media: Enhancing user loyalty through social networking sites." *Computers in Human Behavior* 62 (2016): 743-753.
- [31] Kumar, V., Vikram Bhaskaran, Rohan Mirchandani, and Milap Shah. "Practice prize winner—creating a measurable social media marketing strategy: increasing the value and ROI of intangibles and tangibles for hokey pokey." *Marketing Science* 32, no. 2 (2013): 194-212.
- [32] Huang, Zhao, and Morad Benyoucef. "From e-commerce to social commerce: A close look at design features." *Electronic Commerce Research and Applications* 12, no. 4 (2013): 246-259.
- [33] Zhang, Mingli, Lingyun Guo, Mu Hu, and Wenhua Liu. "Influence of customer engagement with company social networks on stickiness: Mediating effect of customer value creation." *International Journal of Information Management* 37, no. 3 (2017): 229-240.
- [34] Roberts, Deborah L., and Marina Candi. "Leveraging social network sites in new product development: Opportunity or hype?." *Journal of Product Innovation Management* 31 (2014): 105-117.
- [35] Munar, Ana María, and Jens Kr Steen Jacobsen. "Motivations for sharing tourism experiences through social media." *Tourism management* 43 (2014): 46-54.
- [36] Ladhari, Riadh, and Mélissa Michaud. "eWOM effects on hotel booking intentions, attitudes, trust, and website perceptions." *International Journal of Hospitality Management* 46 (2015): 36-45.
- [37] Ferreira, João JM, Cristina I. Fernandes, and Fernando AF Ferreira. "To be or not to be digital, that is the question: Firm innovation and performance." *Journal of Business Research* 101 (2019): 583-590.
- [38] Amit, Raphael, and Christoph Zott. *Business model innovation strategy: Transformational concepts and tools for entrepreneurial leaders*. John Wiley & Sons, 2020.
- [39] Gunday, Gurhan, Gunduz Ulusoy, Kemal Kilic, and Lutfihak Alpkın. "Effects of innovation types on firm performance." *International Journal of production economics* 133, no. 2 (2011): 662-676.
- [40] Schäfer, Thomas, and Marcus A. Schwarz. "The meaningfulness of effect sizes in psychological research: Differences between sub-disciplines and the impact of potential biases." *Frontiers in Psychology* 10 (2019): 813.
- [41] Fournier, David A., Hans J. Skaug, Johnoel Ancheta, James Ianelli, Arni Magnusson, Mark N. Maunder, Anders Nielsen, and John Sibert. "AD Model Builder: using automatic differentiation for statistical inference of highly parameterized complex nonlinear models." *Optimization Methods and Software* 27, no. 2 (2012): 233-249.
- [42] Hair, Joe, Carole L. Hollingsworth, Adriane B. Randolph, and Alain Yee Loong Chong. "An updated and expanded assessment of PLS-SEM in information systems research." *Industrial Management & Data Systems* (2017).
- [43] Alghamdi, Faris. "Ambidextrous leadership, ambidextrous employee, and the interaction between ambidextrous leadership and employee innovative performance." *Journal of Innovation and Entrepreneurship* 7, no. 1 (2018): 1-14.
- [44] Li, Ci-Rong, Yan-Yan Liu, Chen-Ju Lin, and Hong-Jia Ma. "Top management team diversity, ambidextrous innovation and the mediating effect of top team decision-making processes." *Industry and Innovation* 23, no. 3 (2016): 260-275.
- [45] Schweer, Dieter, and Jan Christian Sahl. "The digital transformation of industry—the benefit for Germany." In *The drivers of digital transformation*, pp. 23-31. Springer, Cham, 2017.