

Leverage Capability as a Strategy to Enhance the Sustainability Performance of Shopping-Mall

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ABSTRACT

The study introduces the concept of Leverage Capability Strategy, emphasizing the use of external resources to strengthen shopping-mall capabilities and achieve long-term sustainability in a competitive, dynamic market. This research uses Partial Least Squares Structural Equation Modelling (PLS-SEM) to analyse data collected from a shopping mall in West Java, Indonesia. This methodology investigates the direct and indirect impacts of Ambidexterity Orientation, Strategic Flexibility, and Leverage Capability Strategy on Sustainability Performance. The study shows that Strategic Flexibility significantly improves the Sustainability Performance of shopping malls, both directly and through Leverage Capability, which utilizes external resources to strengthen capabilities. These findings highlight the importance of the Leverage Capability Strategy in enhancing Sustainability Performance. The study is limited to shopping malls in West Java, and its findings may not be fully generalizable to other regions or industries. Further research could expand the geographical scope and incorporate longitudinal analysis to explore temporal dynamics in these relationships. This approach can help shopping malls adapt to market changes, recover from declining visitor trends, and enhance their competitive edge.

Keywords: Ambidexterity Orientation; Strategic Flexibility; Leverage Capability Strategy; Sustainability Business Performance; Shopping-mall



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INTRODUCTION

Shopping malls, as products of design, serve a crucial role in creating desired experiences for customers that align with current societal demands, offering both economic benefits and emotional satisfaction. Visitors tend to prefer shopping malls that provide unique experiences, especially in terms of their physical design and added value in retail products. Technology influences people's behavior, and it also changes the shopping behavior of people (Sarie et al 2025). Companies must prioritize creating a highly enjoyable and immersive user experience that leverages the hedonic value (Yulandri et al 2024). Hence, shopping malls must continuously adapt to changing conditions

to remain competitive and sustainable. The concept of sustainability in business refers to professional management that includes a clear vision, strong consumer engagement, and robust controls, ensuring the business can withstand and adapt to future changes. This involves the processes of creating, delivering, and capturing value in ways that minimize negative impacts and maximize positive effects on the environment, society, and the economy (de Oliveira et al., 2023; Sheehy & Farneti, 2021). Recent reports highlight a mixed performance among shopping malls in Jakarta and its surrounding areas. Retail occupancy rates were 72.8% in Jakarta and 70.4% in Greater Jakarta during the third quarter of 2023, with premium malls recording the highest occupancy at 86.2%, followed by middle- to upper-tier malls at 84.6%. In contrast, middle- to lower-tier malls experienced significantly lower occupancy rates of 49.6%, indicating challenges in attracting visitors (Colliers Report, 2023). This variation reflects a broader challenge within the mall industry, particularly for middle- and lower-tier malls, which must innovate to remain competitive.

Sustainability, as commonly understood, involves the integration of economic, environmental, and social dimensions, often referred to as the triple bottom line. Organizations must balance their impact on people, the planet, and profit by generating social, environmental, and economic value. To make efficient decisions, these three dimensions must be understood as interconnected components of a system (Fischer et al., 2023). From a corporate perspective, sustainability encompasses more than just managing environmental and social impacts. It also refers to business continuity and the ability to withstand challenges in daily operations. A sustainable business strategy integrates both market factors and internal organizational factors to achieve long-term success. In the strategic management of shopping malls, companies often integrate both the Market-Based View (MBV) and Resource-Based View (RBV) to create sustainable competitive advantage (SCA). MBV focuses on market conditions and external factors, while RBV emphasizes internal resources. Both approaches, though distinct, are complementary and essential for business sustainability (Sheehy & Farneti, 2021). This study highlights the importance of sustainability business performance, a concept distinct from the broader triple-bottom-line framework. It emphasizes how well an organization achieves its business sustainability goals through minimizing negative impacts and maximizing positive contributions to society and the environment.

In the ever-evolving retail industry, shopping malls need to possess Strategic Flexibility to remain competitive. Previous research indicates that Strategic Flexibility can improve organizational performance by enabling innovative project-based business models, thereby contributing to long-term sustainability (Awais et al., 2023). However, in certain contexts, the link between strategic flexibility and sustainability is negative (Bokhari et al., 2020). This study seeks to fill a gap by investigating the relationship between strategic flexibility and sustainable business performance, particularly within the context of shopping malls in Indonesia. Malls must focus on creating distinctive advantages that set them apart from competitors, such as through innovative tenant mixes or unique customer experiences. This study introduces the concept of "Leverage Capability Strategy" as a new approach to achieving sustainable business performance. This strategy emphasizes leveraging external resources to enhance organizational capabilities, particularly in big data analysis and market knowledge, which are increasingly important in the retail sector (Mikalef, 2021; Brewis, 2023). Unlike established concepts such as dynamic capabilities, which emphasize an organization's ability to sense, seize, and reconfigure internal resources in response to environmental change, Leverage Capability Strategy places primary emphasis on the intentional mobilization and amplification of external resources (including big data analytics, market intelligence, and ecosystem-based knowledge) to strengthen internal strategic decision-making. While dynamic capabilities focus on adaptation through internal reconfiguration, Leverage Capability Strategy highlights how external resource integration becomes a core strategic capability rather than a supporting mechanism.

Dynamic capability is an activity where an organization develops a learning process to be able to adapt to a changing environment (Suganda et al 2022). Leverage Capability is conceptually distinct from Dynamic Capability, emphasizing adaptation and transformation under uncertainty. In

contrast, Leverage Capability focuses on a firm's ability to maximize and scale the value of its existing resources, knowledge, and competencies to generate competitive advantage. While dynamic capability addresses how firms change, leverage capability addresses how firms extract superior value from what they possess. Its effectiveness, however, is bounded by several conditions, including the quality and heterogeneity of resources, organizational structure and governance, environmental dynamism, and the presence of strategic flexibility. In asset-intensive industries such as shopping malls, structural rigidity and long-term contractual arrangements may further constrain the speed and scale at which resources can be leveraged. This study contributes to the sustainability performance literature by positioning Leverage Capability as the mechanism that converts strategic potential into realized sustainability outcomes. Prior research has largely emphasized adaptation through dynamic capability, yet adaptation alone does not ensure measurable sustainability performance. By introducing Leverage Capability, this research explains how sustainability initiatives are optimized, institutionalized, and scaled across the organization. Within the capability chain, ambidexterity generates strategic options, strategic flexibility enables adaptive alignment, and leverage capability ensures effective resource orchestration, ultimately leading to superior sustainability performance.

Furthermore, this concept differs from relational capability, which mainly concentrates on managing inter-organizational relationships and governance mechanisms. Leverage Capability Strategy extends beyond relationship management by emphasizing the strategic conversion of externally sourced knowledge and data into sustainable competitive outcomes, particularly in environments characterized by high market turbulence and digital transformation. In this sense, leverage is not merely relational, but strategic and performance-oriented. Compared to the notion of resource leverage, which traditionally refers to efficiency in resource utilization or scaling advantages, Leverage Capability Strategy adopts a more dynamic and integrative perspective, focusing on how external resources are systematically aligned with organizational ambidexterity and strategic flexibility to support long-term sustainability objectives. Incorporating ambidexterity orientation, defined as the balance between exploration and exploitation, enables shopping malls to simultaneously experiment with new business models while optimizing existing operational capabilities (Gil-Marques & Moreno-Luzon, 2020). When combined with strategic flexibility, Leverage Capability Strategy allows organizations to dynamically realign strategic priorities with evolving market opportunities, thereby enhancing sustainable business performance (Maine et al., 2021). Given Indonesia's large population and its position as a key market for the Shopping-mall industry, this study aims to provide a new model for predicting sustainable business performance in Indonesian malls. The main strategy for organizations to achieve total organizational success is to improve the quality and efficacy of programs (Asri & Amanda, 2025). By integrating ambidexterity orientation, flexibility organization, and leverage from external resources, this research contributes to the development of a sustainability business framework tailored to the mall industry. This study introduces a novel concept, Leverage Capability Strategy, as part of a broader framework for achieving Sustainability Business Performance. As such, the findings of this research hold relevance not only for Indonesia but also for the global shopping-mall industry, providing valuable insights into the strategic management of sustainability.

THEORETICAL FRAMEWORK AND HYPOTHESES

The Resource-Based Theory (RBT) suggests that a firm's strategic resources, which vary among different organizations and are not easily transferable, play a vital role in sustaining a competitive advantage (Barney, 1991). From this viewpoint, sustainable competitive advantage is defined as the ability of an organization to maintain its leading position by effectively utilizing its unique resources and capabilities (Holdford, 2018). Given that resources and capabilities across firms often share similarities, duplication can occur. To mitigate this, organizations can strategically leverage external resources to enhance their competitive standing. The Relational View Theory highlights that competitive advantage often arises not solely from internal capabilities but also from strategic alliances that extend beyond the firm. The core of strategic management involves discovering

innovative combinations that add value both within the organization and through collaboration with external partners (Teece, 2009). In the context of Leverage Capability Strategy, the Relational View emphasizes the importance of utilizing external resources to enhance internal capabilities. By forming strategic alliances and leveraging the unique strengths of partners, firms can overcome resource limitations, improve operational efficiency, and foster innovation. This aligns with the premise of Leverage Capability Strategy, which focuses on integrating external resources to augment organizational capabilities, ultimately driving sustainability and competitive advantage. Thus, the Relational View Theory underscores the strategic significance of external collaborations to enhance the effectiveness of Leverage Capability Strategies in dynamic market environments.

Hypothesis Development

Relationship between Ambidexterity Orientation and Leverage Capability strategy directly and indirectly through Strategic Flexibility

Ambidexterity Orientation refers to an organization's ability to balance exploration (pursuing new opportunities) and exploitation (optimizing existing capabilities) to achieve short-term efficiency while sustaining long-term adaptability. Ambidexterity Orientation provides the strategic foundation for Leverage Capability, as firms that effectively balance exploration and exploitation are better able to deploy resources efficiently while simultaneously developing new strategic options (He & Wong, 2004). However, this transformation is not automatic; strategic Flexibility plays a critical mediating role. Firms with high Strategic Flexibility are more capable of translating ambidextrous orientation into effective resource allocation and capability deployment, thereby strengthening Leverage Capability (Nadkarni & Herrmann, 2010). In this context, Strategic Flexibility acts as a catalyst that converts the potential of Ambidexterity Orientation into actionable Leverage Capability. While ambidexterity generates the capacity for exploration and exploitation, flexibility determines how effectively firms reallocate resources and prioritize initiatives under dynamic conditions (Zhou & Wu, 2010). Without sufficient flexibility, firms may fail to fully capture the benefits of ambidexterity or risk overemphasizing exploitation.

H1a : Ambidexterity orientation significantly and positively affects Leverage Capability Strategy.

H1b : Ambidexterity orientation significantly and positively affects Leverage Capability Strategy through Strategic Flexibility.

Relationship between Ambidexterity Orientation and Sustainability Performance through Strategic Flexibility and Leverage Capability.

The relationship between Ambidexterity Orientation and Sustainability Performance is not purely direct. This relationship is strengthened through the roles of Strategic Flexibility and Leverage Capability. Strategic Flexibility enables firms to adapt to evolving market demands, regulatory pressures, and shifting stakeholder expectations, thereby facilitating the integration of sustainability into core business strategies. Consequently, Strategic Flexibility directly supports Sustainability Performance by ensuring continuous strategic alignment with sustainability objectives. Nevertheless, Strategic Flexibility alone is insufficient to guarantee strong Sustainability Performance. In the sustainability context, leverage capability ensures that internal and external resources are efficiently mobilized to support sustainability initiatives, improve operational effectiveness, and enhance long-term performance. Strategic Flexibility and Leverage Capability, therefore, function as complementary mechanisms. Strategic Flexibility provides the agility to identify and pursue sustainability opportunities, whereas Leverage Capability enables firms to effectively allocate resources and implement sustainability initiatives at scale (Teece, 2009). Firms that simultaneously possess high levels of flexibility and leverage capability are more likely to execute sustainability strategies in innovative and cost-efficient ways, resulting in superior Sustainability Performance. Moreover, Leverage Capability strengthens the relationship between Ambidexterity Orientation and Sustainability Performance by transforming the potential generated through exploration and exploitation into actionable sustainability strategies. Ambidextrous firms generate innovative solutions and operational efficiencies; leveraging capability ensures that these

outcomes are systematically deployed and replicated across the organization to maximize sustainability impact.

- H2a : Ambidexterity Orientation Significantly and Positively Affects Sustainability Performance.
- H2b : Ambidexterity Orientation Significantly and Positively Affects Sustainability Performance through Strategic Flexibility.
- H2c : Ambidexterity Orientation Significantly and Positively Affects Sustainability Performance through Leveraging Capability Strategy.

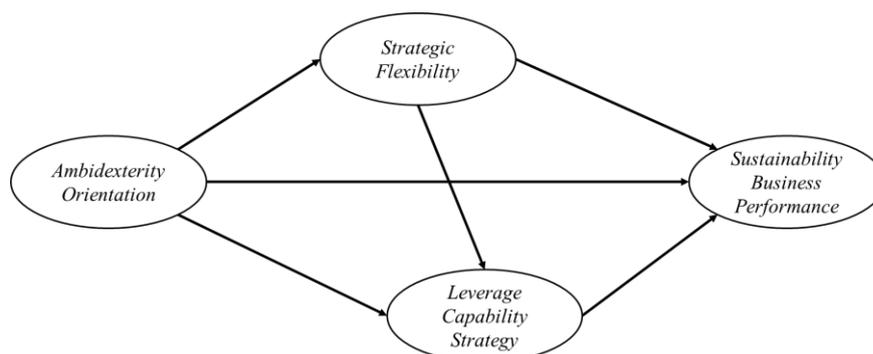


Figure 1. Research Model

Source: Adapted from previous studies.

METHODS

This study uses quantitative methods with a survey design to understand the factors influencing the sustainability performance of shopping malls in West Java, Indonesia. In this study, the data collection technique involved distributing a questionnaire designed based on relevant research variable indicators. The questionnaire targeted shopping-mall management, including owners, directors, and operational managers, to ensure that the data obtained was closely aligned with management and operational strategies. Data collection was conducted both online and face-to-face, depending on the respondents' preferences and availability, which aimed to enhance participation rates and improve data quality. The population of this study consisted of all shopping malls registered with the Indonesian Shopping Center Management Association (APPBI) in West Java, totaling 68 malls. The sampling method used was total population sampling, whereby the entire population was included as the sample. This approach was chosen to provide comprehensive and representative results, offering a more accurate depiction of the Shopping-mall industry in West Java. PLS-SEM can be conducted accurately with as few as 20 data points (Sarwono, 2012). Therefore, the sample size in this study was deemed sufficient for statistical analysis.

Analysis was performed using Partial Least Squares Structural Equation Modeling (PLS-SEM). This method was selected for its ability to analyze complex models with relatively small sample sizes. PLS-SEM allowed the study to explore the relationships between research variables in greater depth. The results revealed significant relationships between several key variables, supporting the initial hypotheses regarding the management and operational strategies of Shopping-mall. The analysis was conducted to evaluate the relationships between key variables related to Shopping-mall management and operations.

RESULTS AND DISCUSSION

Based on the data analysis results, it was found that several loading factors for the indicators were below 0.6, indicating a weak relationship between the indicators and their associated constructs; therefore, these indicators were removed from the measurement model. Specifically, the eliminated indicators were AO01 and AO03 from the Ambidexterity Orientation construct, as well as SP1, SP2,

SP7, and SP10 from the Sustainability Performance construct. The removal of these indicators was necessary to improve construct reliability and ensure convergent validity. However, most of the remaining indicators demonstrated loading factors above 0.6, indicating satisfactory convergent validity and a strong association with their respective constructs. These results confirm that the refined measurement model meets acceptable reliability and validity standards, thereby supporting the use of the retained constructs for further structural analysis.

Table 1. Outer model result for Measurement Model

Construct	Item Code	Loading	Outer Weights	CA	CR	AVE
<i>Ambidexterity Orientation</i>				0,985	0,987	0,917
	AO.02	0,916	0,169			
	AO.04	0,923	0,193			
	AO.05	0,979	0,140			
	AO.06	0,960	0,129			
	AO.07	0,980	0,139			
	AO.08	0,972	0,136			
	AO.09	0,971	0,142			
					0,932	0,942
<i>Strategic Flexibility</i>	SF.01	0,756	0,120			
	SF.02	0,800	0,122			
	SF.03	0,798	0,125			
	SF.04	0,767	0,115			
	SF.05	0,743	0,111			
	SF.06	0,763	0,120			
	SF.07	0,766	0,117			
	SF.08	0,758	0,108			
	SF.09	0,759	0,117			
	SF.10	0,782	0,120			
	SF.11	0,793	0,122			
				0,898	0,919	0,587
<i>Leverage Capability Strategy</i>	LCS.01	0,711	0,148			
	LCS.02	0,748	0,162			
	LCS.03	0,782	0,172			
	LCS.04	0,764	0,172			
	LCS.05	0,815	0,173			
	LCS.06	0,662	0,143			
	LCS.07	0,834	0,167			
	LCS.08	0,797	0,167			
				0,835	0,877	0,514
<i>Sustainability Performance</i>	SP.03	0,766	0,205			
	SP.04	0,777	0,207			
	SP.05	0,776	0,221			
	SP.07	0,761	0,228			
	SP.08	0,762	0,212			
	SP.09	0,695	0,199			

Source: Processed data using SmartPLS

Based on the data analysis using PLS-SEM, as presented in Table 1, all constructs demonstrate Composite Reliability values above 0.7 (Hair et al., 2016), indicating good to excellent internal consistency among the indicators. The values of Cronbach's alpha, composite reliability, and Dijkstra–Henseler's rho (ρ_A) range from 0.73 to 0.925 (Hair et al., 2016), confirming the reliability of the constructs. Furthermore, all constructs show Average Variance Extracted (AVE) values above the minimum threshold of 0.5 (Hair et al., 2016), indicating that the majority of variance in the indicators is explained by their respective latent variables. These results confirm that convergent validity has been satisfactorily achieved. The Fornell–Larcker criterion shows that the square root of the AVE for each construct exceeds its correlations with other constructs, confirming adequate discriminant validity. Moreover, the Heterotrait–Monotrait (HTMT) ratios are below the recommended threshold of 0.85 (or 0.90), further supporting the distinctiveness of the constructs. Therefore, the measurement model satisfies both convergent and discriminant validity requirements, indicating that the constructs are reliable and appropriate for subsequent structural model analysis.

Table 2. Structural Model Relations

Structural Relationship	Beta Coefficient	P-Value	H	Supported
Direct Effects				
AO → SF	0,398	0,000		Yes
AO → LCS	0,020	0,731	H _{1a}	No
AO → SP	0,037	0,376	H _{2a}	No
SF → LCS	0,887	0,000		Yes
SF → SP	0,409	0,000		Yes
LCS → SP	0,548	0,000		Yes
Indirect Effect				
AO → SF → LCS	0,353	0,000	H _{1b}	Yes
AO → SF → SP	0,163	0,003	H _{2b}	Yes
AO → LCS → SP	0,011	0,736	H _{2c}	No
AO → SF → LCS → SP	0,193	0,001		No
SF → LCS → SP	0,486	0,003		Yes
Total Effect				
AO → SF	0,398	0,000		
AO → LCS	0,373	0,000		
AO → SP	0,403	0,000		
SF → LCS	0,887	0,000		
SF → SP	0,895	0,000		
LCS → SP	0,548	0,000		

Source: Processed data using SmartPLS

In Table 2, a significant direct relationship was found between Strategic Flexibility (SF) and other variables such as Leverage Capability Strategy (LCS) and Sustainability Performance (SP). This confirms the importance of SF in strategic driving performance and sustainability. These findings are consistent with previous studies, which have shown that strategic flexibility positively impacts sustainability performance (Evanthi, A., & Azhar, R.M, 2023; Supriyadi et al, 2020; Maulani, G.A.F, 2024). On the other hand, Ambidexterity Orientation (AO) tends to have an indirect effect on other variables, primarily through SF, LCS, and DA. The mediation pathways between SF, LCS, DA, and SP indicate a complex relationship, where LCS and DA play a critical role in mediating the influence of SF and AO on SP. Previous research has also demonstrated that ambidexterity exerts its influence through the mediation of other variables (Khan, M.Y, 2019). The structural model (Table 2) reveals significant relationships between key constructs. Specifically, a strong direct relationship exists between Strategic Flexibility (SF) and other critical variables. This supports previous research that emphasizes the pivotal role of SF in enhancing strategic and sustainability performance (Evanthi & Azhar, 2023; Supriyadi et al., 2020). The mediation pathways between SF,

LCS, and SP suggest complex interaction, where LCS play crucial roles in translating the benefits of both SF and AO into improved sustainability outcomes.

The findings reveal that H1a is not supported, indicating that Ambidexterity Orientation (AO) does not have a significant direct effect on Leverage Capability Strategy (LCS) ($\beta = 0.020$; $p = 0.731$). This suggests that while ambidexterity enables organizations to simultaneously explore and exploit resources, it does not automatically enhance leverage capability without intermediary factors. This result contrasts with previous studies that have highlighted the direct contribution of ambidexterity to strengthening organizational capabilities (Junni et al., 2013). The absence of a direct effect implies that ambidexterity alone may generate strategic potential, but it does not guarantee effective resource amplification or value maximization. Conversely, H1b is supported, demonstrating that AO significantly influences LCS through the mediation of Strategic Flexibility (SF) ($\beta = 0.353$; $p = 0.000$). This indicates that Strategic Flexibility functions as a transitional mechanism that enables organizations to translate ambidextrous orientation into effective leverage capability. Consistent with Zhou and Wu (2010), strategic flexibility enhances firms' ability to reconfigure and optimize resource deployment, thereby strengthening leverage outcomes. In other words, without sufficient flexibility to reallocate and prioritize resources, ambidexterity may remain fragmented between exploration and exploitation activities, limiting its capacity to generate scalable competitive advantage. This finding reinforces the importance of sequencing capabilities: ambidexterity must first be operationalized through strategic flexibility before it can be effectively leveraged to create performance impact.

Furthermore, H2a is not supported, indicating that AO does not have a significant direct effect on Sustainability Performance (SP) ($\beta = 0.037$; $p = 0.376$). This result suggests that while ambidexterity plays a critical role in organizational management, its impact on business sustainability does not occur directly but rather requires intermediary mechanisms. However, H2b is supported, confirming that AO indirectly affects SP through SF ($\beta = 0.163$; $p = 0.003$). This finding underscores that Strategic Flexibility plays a pivotal role in bridging the relationship between Ambidexterity Orientation and Sustainability Performance, supporting previous studies that highlight how flexibility in business strategy enables organizations to better respond to market dynamics and achieve long-term performance gains (Eisenhardt & Martin, 2000). In contrast, H2c is not supported, indicating that AO does not affect SP through LCS ($\beta = 0.011$; $p = 0.736$). This suggests that while leverage capability is essential for enhancing sustainability performance, it cannot be developed solely through ambidexterity orientation. Factors of strategic flexibility must first facilitate the transformation of resource management approaches before leveraging capability can contribute effectively to business sustainability.

Overall, the findings confirm that Strategic Flexibility is the most dominant variable in the model. It significantly mediates the relationship between Ambidexterity Orientation (AO) and Leverage Capability Strategy (LCS), mediates the relationship between AO and Sustainability Performance (SP), and exerts strong direct effects on both LCS and SP. These results indicate that the pathway from ambidexterity to sustainability outcomes operates primarily through the firm's ability to reconfigure and realign resources under dynamic conditions. Conceptually, this dominance invites deeper theoretical reflection. The results suggest that Strategic Flexibility may function as a core capability, while AO operates as an enabling strategic orientation rather than a performance-driving capability per se. In this interpretation, ambidexterity provides the behavioral and strategic posture (balancing exploration and exploitation), but Strategic Flexibility determines whether that posture can be operationalized into effective action. Furthermore, the strong influence of Strategic Flexibility on LCS raises the possibility that Leverage Capability Strategy may represent an outcome or operational manifestation of strategic flexibility, rather than an independent primary capability. In other words, flexibility enables resource reallocation and prioritization, and leverage capability emerges when those reconfigured resources are optimized and scaled. This perspective repositions the capability hierarchy: AO shapes strategic intent, Strategic Flexibility operationalizes

adaptability, and Leverage Capability materializes as the value-extraction mechanism that ultimately drives Sustainability Performance.

These findings must be interpreted within the specific context of Indonesian shopping malls, particularly middle- and premium-segment malls that are currently facing significant pressures from digital transformation and declining physical foot traffic. In this environment, strategic adaptability becomes more critical than strategic orientation alone. The structural rigidity of long-term leases, high operational costs, and dependence on experiential value make flexibility in tenant reconfiguration, space utilization, and digital integration essential for survival. Therefore, the dominance of Strategic Flexibility in this study reflects not merely a theoretical outcome, but a context-driven necessity shaped by the competitive and digital disruption pressures confronting Indonesian malls.

CONCLUSION

This study provides empirical evidence that Strategic Flexibility plays a crucial role in linking Ambidexterity Orientation with both Leverage Capability Strategy and Sustainability Performance. The findings indicate that while Ambidexterity Orientation does not have a direct effect on Leverage Capability Strategy or Sustainability Performance, it significantly influences them through the mediating role of Strategic Flexibility. This suggests that shopping malls cannot rely solely on ambidexterity to enhance their sustainability performance; rather, they must first develop a strategically flexible approach that enables them to adapt to market changes and optimize their resources effectively. To strengthen Strategic Flexibility, mall management should institutionalize periodic strategic reviews (e.g., quarterly tenant and performance evaluation), develop modular leasing schemes that allow faster tenant rotation, and implement flexible space design that can be reconfigured for events, pop-up stores, or experiential concepts. Additionally, establishing a data-driven decision system (integrating footfall analytics, tenant sales data, and customer behavior insights) can accelerate strategic responses to shifting consumer trends and competitive pressures. To operationalize Leverage Capability, mall operators should focus on optimizing existing assets and partnerships. This includes leveraging anchor tenants to attract complementary brands, bundling cross-tenant promotional programs, utilizing digital platforms for integrated marketing campaigns, and monetizing common areas through experiential and community-based events. Resource orchestration should also extend to sustainability initiatives, such as centralized energy management systems, waste reduction programs in collaboration with tenants, and green certification efforts that enhance brand positioning while improving operational efficiency.

Furthermore, the indirect effect of Ambidexterity Orientation on Sustainability Performance through Strategic Flexibility suggests that ambidexterity must be embedded into structured processes. Management should separate exploratory units (e.g., innovation or digital transformation teams) from operational units while maintaining coordination mechanisms to ensure alignment. By combining structured flexibility with systematic resource leverage, shopping malls can enhance resilience, scale sustainability initiatives effectively, and maintain competitive advantage amid digital disruption and economic volatility. Overall, this study reinforces that Strategic Flexibility is a key driver of success in the shopping mall industry. Malls that effectively leverage their ambidextrous capabilities through flexible strategies are more likely to sustain their business performance and achieve long-term sustainability. This study has several limitations that should be acknowledged. First, the findings are highly context-specific, as the sample focuses on middle- and premium-segment shopping malls in Indonesia. The structural characteristics, competitive pressures, and digital disruption challenges faced by these malls may limit the generalizability of the results to other industries or geographic contexts. Second, a cross-sectional research design restricts the ability to capture dynamic capability development over time, particularly how ambidexterity, strategic flexibility, and leverage capability evolve in response to environmental change. Future research may adopt longitudinal approaches or comparative industry studies to validate and extend these findings. Future research could explore specific case studies within West

Java's shopping mall sector, providing deeper insights into how leading malls implement strategic flexibility to maintain their market position.

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