

Digital Strategic Behaviour for Sustainable Economic Growth: Aligning Organizational Agility with SDG 8

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ABSTRACT

This study addresses the limited empirical evidence linking digital strategic behavior to macro-level sustainability outcomes—particularly Sustainable Development Goal 8 (SDG 8)—and the lack of research examining organizational agility as a mediating mechanism and firm characteristics as contextual moderators. *Methodology.* A quantitative cross-sectional survey was conducted using stratified random sampling involving 298 firms in Indonesia that have implemented digital initiatives. Data were analyzed using regression and mediation–moderation techniques. *Findings.* Results reveal that digital strategic behavior significantly enhances organizational agility ($\beta = 0.62, p < 0.001$). Agility, in turn, positively influences SDG 8–related sustainable economic performance ($\beta = 0.55, p < 0.001$). Mediation analysis shows a substantial indirect effect (0.34, $p < 0.001$), accounting for 55% of the total influence of digital strategy on SDG outcomes. Moderation tests indicate stronger effects in large firms ($\beta = 0.68$) and in organizations with high digital maturity ($\beta = 0.70$). *Contributions.* Theoretically, this study advances the literature by integrating Resource-Based View and Dynamic Capabilities perspectives to explain how digital strategic behavior translates into sustainability-oriented economic value through agility. Practically, the findings offer actionable guidance for managers to strengthen digital capabilities, build agile organizational systems, and design digital transformation initiatives that directly support SDG 8 indicators such as decent work, productivity, and sustainable growth.

ABSTRAK

Studi ini membahas keterbatasan bukti empiris yang menghubungkan perilaku strategis digital dengan hasil keberlanjutan tingkat makro—khususnya Tujuan Pembangunan Berkelanjutan 8 (SDG 8)—dan kurangnya penelitian yang mengkaji ketangkasan organisasi sebagai mekanisme mediasi dan karakteristik perusahaan sebagai moderator kontekstual. Metodologi. Survei kuantitatif lintas sektoral dilakukan menggunakan pengambilan sampel acak bertingkat yang melibatkan 298 perusahaan di Indonesia yang telah menerapkan inisiatif digital. Data dianalisis menggunakan teknik regresi dan mediasi-moderasi. Temuan. Hasil menunjukkan bahwa perilaku strategis digital secara signifikan meningkatkan ketangkasan organisasi ($\beta = 0,62$, $p < 0,001$). Ketangkasan, pada gilirannya, secara positif memengaruhi kinerja ekonomi berkelanjutan terkait SDG 8 ($\beta = 0,55$, $p < 0,001$). Analisis mediasi menunjukkan efek tidak langsung yang substansial ($0,34$, $p < 0,001$), yang menyumbang 55% dari total pengaruh strategi digital terhadap hasil SDG. Uji moderasi menunjukkan efek yang lebih kuat pada perusahaan besar ($\beta = 0,68$) dan pada organisasi dengan kematangan digital yang tinggi ($\beta = 0,70$). Kontribusi. Secara teoritis, studi ini memajukan literatur dengan mengintegrasikan perspektif Resource-Based View dan Dynamic Capabilities untuk menjelaskan bagaimana perilaku strategis digital diterjemahkan menjadi nilai ekonomi yang berorientasi pada keberlanjutan melalui ketangkasan. Secara praktis, temuan ini menawarkan panduan yang dapat ditindaklanjuti bagi para manajer untuk memperkuat kemampuan digital, membangun sistem organisasi yang lincah, dan merancang inisiatif transformasi digital yang secara langsung mendukung indikator SDG 8 seperti pekerjaan layak, produktivitas, dan pertumbuhan berkelanjutan.

INTRODUCTION

The accelerating advancement of digital technologies continues to reshape organizational strategies, management practices, and economic structures worldwide. In the context of sustainable development, particularly Sustainable Development Goal 8 (SDG 8), which emphasizes productive employment, decent work, and inclusive economic growth, understanding how firms' digital strategic behavior contributes to broader socio-economic outcomes has become increasingly important. Recent studies highlight how digital transformation influences organizational performance, innovation, and productivity (Kraus et al., 2023; Rachinger et al., 2024), yet the mechanisms linking digital strategic behavior to sustainability-oriented macro-level indicators remain insufficiently explored. This study positions itself within this emerging intersection between digital strategy and sustainable development.

Digital strategic behavior refers to the purposeful alignment of digital technologies with strategic objectives to enhance competitiveness, improve decision-making, and enable continuous adaptation (Marques & Ferreira, 2023; Sysoieva et al., 2025). It involves deliberate actions such as digital resource allocation, technology

adoption, data-driven planning, and governance renewal. Organizational agility, conversely, represents the capacity to sense environmental changes, respond rapidly, and reconfigure operational routines in ways that enhance resilience and long-term viability (Gonçalves et al., 2020; Shams et al., 2024). Scholars increasingly argue that digital strategy and agility are interdependent, where digital capability acts as an enabler of adaptive behaviors required in volatile environments (Usai et al., 2023; Khalil et al., 2024).

Although the literature broadly supports the positive influence of digital transformation on firm performance, several critical research gaps persist—particularly concerning its implications for SDG outcomes. First, existing studies overwhelmingly focus on micro-level outcomes such as operational efficiency, innovation capability, or customer responsiveness (Marques & Ferreira, 2023; Kraus et al., 2023). Only a limited body of work examines whether and how digital strategy contributes to sustainability targets like decent work, employment growth, or productivity improvements, which are central to SDG 8. Recent international studies have begun to explore this linkage (Han et al., 2024; Ishfaq & Makhdoom, 2023), but empirical models explicitly connecting digital strategy, agility, and SDG-related economic outcomes are still scarce.

Second, prior research seldom positions organizational agility as a bridging mechanism that translates digital strategic behavior into sustainable economic performance. While agility is recognized as a dynamic capability that facilitates adaptation (Gonçalves et al., 2020), few studies empirically test its mediating role in the pathway from digital strategy to SDG-oriented outcomes. This gap limits our understanding of how digital initiatives produce socio-economic value beyond internal performance metrics.

Third, contextual moderators—such as firm size, resource scale, or digital maturity—remain underexamined in the literature on digital transformation and sustainability. Emerging studies suggest that firms with greater digital readiness or larger resource bases tend to achieve stronger digital transformation impacts (Gökalp & Martinez, 2022; Matarazzo et al., 2024), yet no research has investigated how these factors condition the effects of digital strategic behavior on agility and SDG 8 contributions. This creates a theoretical and empirical blind spot regarding boundary conditions that shape the effectiveness of digital strategy.

To address these gaps, this study draws on a multi-theoretical framework that integrates the Resource-Based View (RBV), Dynamic Capabilities Theory (DCT), Socio-Technical Systems (STS) Theory, and Stakeholder Theory. Through RBV, digital strategic behavior is conceptualized as a deployment of valuable digital resources—such as analytics, systems integration, and digital leadership—expected to generate competitive value. This study extends RBV by examining whether these

resources also contribute to broader societal objectives such as employment and decent work, thereby linking micro-level resource configurations to macro-level sustainability outcomes. From the perspective of DCT, organizational agility is positioned as a higher-order capability that enables firms to reconfigure digital resources; this study extends DCT by empirically testing agility as a mediator in the digital strategy–SDG linkage. The integration of STS theory highlights the importance of alignment between social and technological components in achieving effective agility. Finally, Stakeholder Theory expands the analytical lens by viewing SDG 8 indicators as part of firms’ societal responsibilities; this study extends the theory by demonstrating how internal digital strategies manifest in externally relevant socio-economic contributions.

In summary, the purpose of this study is to examine (1) how digital strategic behavior influences organizational agility, (2) how agility contributes to sustainable economic growth aligned with SDG 8, (3) whether agility mediates the impact of digital strategy on SDG 8 outcomes, and (4) how firm size and digital maturity moderate the effectiveness of digital strategic behavior. By addressing these gaps, the study contributes new empirical and theoretical insights into how digital transformation can support inclusive, resilient, and sustainable economic development.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Conceptual Foundations and Theoretical Integration

Organizations increasingly rely on digital technologies not only to achieve operational efficiency and competitive advantage but also to contribute to broader sustainability objectives such as those embedded in Sustainable Development Goal 8 (SDG 8). Understanding these linkages requires a multi-theoretical approach that captures how digital strategic behavior is transformed into organizational capabilities and, subsequently, sustainability-oriented outcomes. This study integrates four theoretical lenses—Resource-Based View (RBV), Dynamic Capabilities Theory (DCT), Socio-Technical Systems (STS) Theory, and Stakeholder Theory—to build a comprehensive conceptual model.

RBV posits that firms achieve superior performance by deploying resources that are valuable, rare, inimitable, and non-substitutable. Digital strategic behavior—manifested through analytics-driven decision-making, digital resource orchestration, and governance structures—functions as a strategic resource bundle that enhances organizational responsiveness (Marques & Ferreira, 2023; Sysoieva et al., 2025). However, digital resources alone do not automatically produce agility or sustainability outcomes; they require integration with adaptive processes.

Dynamic Capabilities Theory explains how organizations convert digital resources into agility through processes of sensing, seizing, and reconfiguring (Teece, 2022; Oguntegbe et al., 2024). Digital strategic behavior enhances sensing capabilities by enabling real-time market scanning and data-driven insights, supports seizing by accelerating innovation decisions, and strengthens reconfiguration by enabling flexible resource allocation. Thus, digital strategic behavior is conceptualized as an antecedent capability driving agility as a dynamic capability.

STS Theory enriches this framework by emphasizing the alignment of social structures—leadership, culture, communication—with technological systems. Empirical research shows that digital transformation succeeds only when supported by human competencies and collaborative cultures (Gonçalves et al., 2020; Gökalp & Martinez, 2022). Agility therefore emerges when digital tools interact with empowered employees, cross-functional teams, and flexible organizational routines.

Stakeholder Theory further broadens the argument by linking internal digital strategies to external societal contributions. SDG 8 emphasizes decent work, productivity, innovation, and sustainable economic prosperity. Recent studies show that digital transformation can enhance employment quality, labor productivity, workplace conditions, and inclusive growth (Han et al., 2024; Matarazzo et al., 2024). Thus, examining organizational agility as a pathway to SDG 8 outcomes not only extends the sustainability literature but also demonstrates how firms create value beyond shareholders and customers.

Integrating these perspectives, the conceptual model positions:

- 1) Digital strategic behavior as a resource-based driver of agility;
- 2) Agility as a dynamic capability linking digital strategy to SDG 8 outcomes; and
- 3) Firm size and digital maturity as contextual moderators that shape transformation effectiveness.

Hypothesis Development

1. Digital Strategic Behavior and Organizational Agility

RBV suggests that digital resources—analytics systems, decision-support platforms, and integrated technologies—enable firms to detect opportunities, respond efficiently, and realign capabilities. Empirical studies confirm that firms with strong digital strategic orientation exhibit greater adaptability, faster decision cycles, and more flexible processes (Usai et al., 2023; Khalil et al., 2024). Digital strategic behavior also influences innovation speed and organizational responsiveness, both core dimensions of agility (Gonçalves et al., 2020).

Recent international evidence demonstrates that structured digital strategies significantly improve organizational agility in manufacturing, services, and technology-based firms (Rachinger et al., 2024; Sharma & Sharma, 2024). These

findings align with DCT, which positions digital tools as enablers of sensing, seizing, and reconfiguring processes crucial for agility.

H1. Digital strategic behavior has a positive and significant effect on organizational agility.

2. Organizational Agility and Sustainable Economic Growth (SDG 8)

Organizational agility enhances a firm's ability to innovate, scale operations, and improve productivity—all of which correspond with SDG 8 indicators such as decent work, labor productivity, and sustainable economic performance. Agility enables rapid adaptation to market shifts, thereby promoting sustained employment and competitive performance (Shaikh, 2025; Han et al., 2024). Empirical studies show that agile organizations outperform less agile counterparts in job creation, operational resilience, and productivity improvement—core components of SDG 8 (Matarazzo et al., 2024). Agility also supports the development of inclusive work practices and flexible job structures that improve work quality and employee conditions.

H2. Organizational agility has a positive and significant effect on firm-level sustainable economic growth aligned with SDG 8.

3. Mediating Role of Organizational Agility

Although digital strategy provides the foundational resources for transformation, its economic benefits materialize only when firms are capable of adapting, reconfiguring, and deploying these resources effectively. DCT identifies agility as a key dynamic capability that converts digital resources into performance outcomes. Emerging studies confirm that agility mediates the relationship between digital strategy and operational or financial performance (Syarkani, 2025; Oguntegbe et al., 2024). Recent sustainability-focused research indicates that digital technologies contribute indirectly to SDG achievements through changes in organizational processes and workforce management, rather than through technology deployment alone (Ishfaq & Makhdoom, 2023). Thus, agility is expected to serve as the mechanism through which digital strategy influences SDG 8 outcomes.

H3. Organizational agility mediates the relationship between digital strategic behavior and sustainable economic growth aligned with SDG 8.

4. Moderating Role of Firm Size

Firm size influences resource availability, technological adoption capability, and ability to scale digital transformation. Larger firms typically possess greater financial and technological resources to implement integrated digital strategies and sustain innovation processes (Balakrishnan & Das, 2020). Studies also show that size amplifies the effectiveness of digital transformation by enabling economies of scale

and stronger organizational support (Nwankpa & Datta, 2017). From an RBV standpoint, larger firms have deeper resource pools and richer digital infrastructures, which strengthen the pathway from digital strategy to agility. This suggests a positive moderating effect.

H4. Firm size positively moderates the relationship between digital strategic behavior and organizational agility, such that the effect is stronger for larger firms.

5. Moderating Role of Digital Maturity

Digital maturity reflects a firm's readiness to effectively integrate digital technologies, comprising leadership commitment, employee digital skills, data-driven culture, and technological sophistication (Gökalp & Martinez, 2022). High-maturity organizations demonstrate stronger alignment between digital tools and social structures, consistent with STS Theory. Empirical research confirms that digital maturity enhances the impact of digital initiatives on agility, innovation, and performance (Matarazzo et al., 2024; Usai et al., 2023). Therefore, digital maturity is expected to amplify the influence of digital strategic behavior on agility.

H5. Digital maturity positively moderates the relationship between digital strategic behavior and organizational agility, such that the effect is stronger at higher levels of digital maturity.

METHODS

This study employs a correlational cross-sectional research design to investigate the relationships among digital strategic behavior, organizational agility, and sustainable economic growth aligned with SDG 8. The correlational approach is particularly suited for this research as it allows for the examination of the strength and direction of associations between variables at a single point in time, providing empirical evidence on how digital strategies relate to organizational agility and macroeconomic outcomes without implying causality (Jio & Kero, 2024).

Measurement Variables

This subsection delineates the comprehensive measurement framework employed to assess the constructs of digital strategic behavior, organizational agility, and sustainable economic growth aligned with SDG 8. The methodology integrates validated scales adapted from extant literature, ensuring both reliability and validity in capturing the nuanced dimensions of each construct.

Digital Strategic Behavior

Digital strategic behavior was operationalized through a set of items reflecting strategic alignment of digital initiatives, resource allocation, governance, and data-

driven decision-making. These items were adapted from Sysoieva et al. (2025), focusing on how firms leverage digital technologies for strategic advantage. The items include in Table 1.

Table 1. Measurement of Digital Strategic Behavior

Item	Content	Source	Notes
DS1	Our digital initiatives are closely aligned with our overall corporate strategy.	Sysoieva et al. (2025)	Adapted; Likert scale 1-7
DS2	Resources are allocated effectively to support digital transformation efforts.	Sysoieva et al. (2025)	Adapted
DS3	Our governance structures facilitate rapid decision-making for digital projects.	Sysoieva et al. (2025)	Adapted
DS4	Data analytics are central to our strategic decision-making processes.	Sysoieva et al. (2025)	Adapted

Items were translated into the local language following standard translation-back translation procedures, including pilot testing with N=40 firms to ensure cultural relevance and clarity. Items with factor loadings > 0.50 and communalities above 0.40 were retained after exploratory factor analysis.

Organizational Agility

Organizational agility was measured via sensing, seizing, reconfiguring capabilities, speed, and flexibility, drawing from Gonçalves et al. (2020). The scale includes in Table 2.

Table 2. Measurement of Organizational Agility

Item	Content	Source	Notes
OA1	Our organization quickly detects changes in the market environment.	Gonçalves et al. (2020)	Adapted; Likert 1-7
OA2	We rapidly seize new opportunities arising from technological changes.	Gonçalves et al. (2020)	Adapted
OA3	Our organization reconfigures resources swiftly in response to external shocks.	Gonçalves et al. (2020)	Adapted
OA4	Decision-making processes are flexible and adaptable within our organization.	Gonçalves et al. (2020)	Adapted
OA5	Our organization operates with high speed in implementing new strategies or processes.	Gonçalves et al. (2020)	Adapted

The scale underwent confirmatory factor analysis (CFA), with items demonstrating standardized loadings > 0.55 retained for analysis.

Sustainable Economic Growth (SDG 8 Proxies)

Firm-level proxies for SDG 8 included employment growth, productivity, revenue growth, and decent work metrics such as fair wages and job security indicators, aligned with SDG 8 indicators as per UN guidelines (see table 3).

Table 3. Measurement of SDG 8

Proxy Variable	Measurement Items	Source/Notes
Employment Growth	Percentage increase in total employment over the past year.	Firm records
Productivity	Output per employee ratio; measured via sales or value added per employee.	Financial statements
Revenue Growth	Year-over-year percentage increase in revenue.	Financial reports
Decent Work Metrics	Percentage of employees covered by formal contracts; average wages relative to industry standards; employee turnover rates.	HR data & surveys

These proxies were standardized and combined into a composite index using principal component analysis (PCA).

Control Variables

Included firm age, size (number of employees), sector classification, and digital maturity level, measured via a separate scale adapted from (Chitrada, 2025).

Scoring Procedures:

- Items on Likert scales were reverse-coded where necessary to ensure consistency.
- Reliability analyses yielded Cronbach's alpha coefficients exceeding 0.85 for all constructs.
- Items not meeting factor loading thresholds (> 0.50) or communalities (> 0.40) were eliminated.
- Composite scores were computed by averaging item responses post-reliability confirmation.
- For proxies like employment growth and revenue growth, percentage changes were calculated based on firm records.

This rigorous measurement approach ensures that all constructs are captured

with high validity and reliability, facilitating robust statistical analysis in subsequent correlational assessments.

Table 4. Comprehensive Methods Summary

Component	Detailed Description
Research Design	- Quantitative, explanatory, cross-sectional design. The study tests direct effects, mediation, and moderation using Structural Equation Modeling (SEM) and hierarchical regression.
Data Collection Procedure	1) Identification of 400 companies through national registries and industry associations. 2) Distribution of email invitations and informed consent. 3) Respondent screening (managerial position, involvement in digital initiatives). 4) Online survey completion using a unique link. 5) Two reminder emails. 6) Data cleaning (completeness, consistency, straight-lining checks).
Final Sample	Total responses received: 350. Valid responses after data cleaning: 298 (87.5% response rate). This sample size exceeds the minimum requirement based on power analysis ($N \geq 200$).
Sample Demographics	Firm size: Medium 52%, Large 48%. Industry: Manufacturing 32%, Services 28%, ICT 22%, Logistics 18%. Firm age: 5–10 years (26%), 11–20 years (41%), >20 years (33%). Respondent position: Middle managers 54%, Senior managers 37%, Executives 9%.
Construct Measurement	Digital Strategic Behavior (4 items): Sysioeva et al. (2021). Organizational Agility (5 items): Gonçalves et al. (2020). SDG 8 Performance: Composite index (employment growth, labor productivity, income growth, decent work indicators). Digital Maturity (6 items): Gökalp & Martinez (2022). Firm Size: Dummy variable.
Instrument Validation Procedures	Translation using forward–backward method. Pilot test: 40 firms; unclear items revised. EFA: KMO > 0.80; Bartlett’s test $p < 0.001$; items with loadings < 0.50 removed. CFA: All factor loadings range from 0.63 to 0.89.
Reliability Testing	Cronbach’s Alpha > 0.85. Composite Reliability (CR) ranges from 0.88 to 0.94, indicating strong internal consistency.
Validity Testing	Convergent validity: AVE = 0.52–0.71. Discriminant validity: Fornell–Larcker criterion satisfied; HTMT < 0.85.
Common Method Bias Checks	Harman’s single-factor test < 35% (acceptable). Marker variable technique applied; results not significant.

Analytical Technique & Justification	SEM employed due to model complexity (latent variables, mediation, moderation) and simultaneous estimation of measurement and structural models. Hierarchical regression used to detect moderation effects (firm size, digital maturity).
Model Fit Indices (SEM)	PLS-SEM: SRMR < 0.08; NFI > 0.90. CB-SEM (if applied): CFI > 0.90; TLI > 0.90; RMSEA < 0.08; χ^2/df < 3.
Collinearity (VIF)	All VIF values < 3.3, indicating no multicollinearity issues.
Structural Model Evaluation	R ² : Organizational Agility = 0.48; SDG 8 Performance = 0.42. Effect size (f ²): Firm Size = 0.02 (small), Digital Maturity = 0.15 (medium), Organizational Agility = 0.35 (large). Predictive relevance (Q ²): Q ² > 0 for all endogenous variables.
Hypothesis Testing	Direct effects tested using bootstrapping with 5,000 subsamples. Mediation (indirect effects) assessed using bias-corrected confidence intervals. Moderation tested using interaction terms.

RESULTS AND DISCUSSION

Results

Validity and Reliability Analysis

Table 4. Validity and Reliability Analysis

	Sig.
Cronbach's Alpha	> 0.85
Average Variance Extracted	> 0.50
Composite Reliability	> 0.88
Factor Loadings	> 0.52 – 0.89

The measurement model demonstrated strong psychometric properties based on the results of the reliability and validity assessments. All constructs achieved Cronbach's Alpha values above 0.85, indicating high internal consistency and suggesting that all items within each scale reliably captured the intended constructs. Convergent validity was also supported, with Average Variance Extracted (AVE) values exceeding 0.50 for all constructs, meeting the standard threshold for latent variable measurement. Additionally, Composite Reliability (CR) values surpassed 0.88, further confirming construct reliability. Factor loadings ranged from 0.52 to 0.89, and although some indicators approached the lower acceptable limit, all remained

within the range considered adequate for inclusion in the structural model. Collectively, these results affirm that the measurement instruments used in the study are valid, reliable, and appropriate for subsequent structural analysis.

Regression Analysis

Table 5. Regression Analysis

Analysis Component	Path / Indicator	β / Value	p-value / CI
Regression Results	Digital Strategic Behaviour on Organizational Agility	0.62	$p < 0.001$
	Organizational Agility on Sustainable Economic Growth (SDG 8)	0.55	$p < 0.001$
Mediation Analysis	Indirect Effect (Digital Strategy, Agility, SDG 8)	0.34	$p < 0.001$
Moderation Analysis	Firm Size (Large Firms)	0.68	$p < 0.001$
	Firm Size (Medium Firms)	0.56	$p < 0.001$
	Digital Maturity (High)	0.70	$p < 0.001$
	Digital Maturity (Low)	0.54	$p < 0.001$

The results presented in Table 4 provide strong empirical support for the proposed structural relationships in the model. First, digital strategic behaviour shows a substantial and statistically significant positive effect on organizational agility ($\beta = 0.62$, $p < 0.001$), indicating that firms with more intentional and integrated digital strategies are better able to respond to environmental changes. This finding aligns with both the Resource-Based View and Dynamic Capabilities Theory, which emphasize the role of digital resources in shaping adaptive organizational capabilities.

Organizational agility also demonstrates a significant positive effect on sustainable economic growth aligned with SDG 8 ($\beta = 0.55$, $p < 0.001$). This indicates that agile firms are more likely to contribute to employment expansion, productivity enhancement, and decent work conditions, key dimensions of SDG 8. The variance explained in both agility ($R^2 = 0.48$) and SDG 8 outcomes ($R^2 = 0.42$) reflects moderately strong explanatory power for a behavioural–strategic model.

The mediation analysis further reveals that agility serves as a meaningful mechanism through which digital strategic behaviour influences economic outcomes. The indirect effect (0.34; 95% CI [0.22, 0.47]) is statistically significant, accounting for approximately 55% of the total effect. This underscores that digital initiatives generate economic benefits primarily when they translate into adaptive organizational

processes.

Moderation tests show that both firm size and digital maturity strengthen the influence of digital strategy. The effect is stronger in large firms ($\beta = 0.68$) compared with medium-sized firms ($\beta = 0.56$), highlighting the role of resource availability in fully leveraging digital strategies. Similarly, firms with higher digital maturity demonstrate stronger effects ($\beta = 0.70$) than those with lower maturity ($\beta = 0.54$), suggesting that digital readiness acts as a capability amplifier.

Together, these findings suggest that digital strategic behaviour contributes to sustainable economic growth most effectively when supported by strong agility and contextual enablers such as firm size and digital maturity. They reinforce the argument that digital transformation is not solely a technological process but a strategic and organizational one.

Discussions

Digital Strategic Behavior and Organizational Agility

The findings confirm that digital strategic behavior exerts a strong and positive influence on organizational agility. This relationship demonstrates that firms that deliberately integrate digital technologies into strategic planning, decision-making, and operational coordination are better equipped to adapt to rapid environmental changes. The significant coefficient ($\beta = 0.62$, $p < 0.001$) indicates that digital strategy provides the informational, structural, and technological foundations required for agility.

From a theoretical standpoint, this result aligns with the Resource-Based View (RBV), which posits that digital resources such as data analytics, integrated information systems, and digital leadership, act as strategic assets that enhance adaptive capabilities (Willie, 2025). It is also consistent with Dynamic Capabilities Theory, which suggests that digital tools help firms sense opportunities, seize market shifts, and reconfigure resources efficiently (Oguntegbe et al., 2024).

Empirically, the substantial R^2 value (0.48) shows that nearly half of a firm's agility can be explained by its digital strategic behavior, emphasizing the centrality of digital transformation initiatives in shaping organizational responsiveness. These results reaffirm that digitalization is not merely a technical upgrade but a strategic posture that fundamentally reshapes how organizations move, react, and innovate.

Organizational Agility and Sustainable Economic Growth (SDGs 8)

Organizational agility is also found to significantly enhance sustainable economic growth aligned with SDG 8 ($\beta = 0.55$, $p < 0.001$). This relationship indicates that agile firms those capable of adapting quickly, reallocating resources flexibly, and innovating under uncertainty are more likely to generate employment opportunities,

improve productivity, and maintain decent work conditions (Sharma & Sharma, 2024). The evidence supports the perspective that agility functions as a core strategic capability enabling firms to contribute meaningfully to SDG 8 dimensions such as job creation, productivity uplift, and sustainable business performance. Agile firms can respond more rapidly to market changes, enabling them to scale operations, introduce new offerings, and sustain long-term economic output (Shaikh, 2025).

The variance explained ($R^2 = 0.42$) highlights the substantial role agility plays in predicting firm-level contributions to SDG 8. These findings extend the sustainability discourse by showing that economic growth is not simply driven by digital adoption but by the organizational ability to operationalize technology through adaptive and collaborative processes.

The Mediation Role of Organizational Agility in Relationship Digital Strategic Behaviour and Economic Growth

The mediation analysis reveals that organizational agility plays a significant bridging role between digital strategic behavior and sustainable economic growth. The indirect effect (0.34) with a confidence interval that excludes zero ([0.22, 0.47]) confirms a robust mediation, with approximately 55% of the total influence of digital strategy on economic growth flowing through agility.

This indicates that digital initiatives alone are insufficient to drive economic performance i.e. instead, organizations must translate digital capabilities into agile actions (Syarkani, 2025). The findings illustrate that digital strategy enhances firms' sensing, interpreting, and responding capabilities, which then materialize into growth-oriented outcomes such as higher productivity and employment expansion (Han et al., 2024).

Theoretically, this reinforces Dynamic Capabilities Theory, where agility acts as a dynamic capability enabling firms to reconfigure digital resources to achieve economic value. The mediation effect strengthens the argument that digital strategy functions as an enabler of agility, while agility serves as the mechanism that converts digital potential into sustainable growth aligned with SDG 8. Overall, the results highlight agility as the "missing link" that explains why some firms gain economic benefits from digital transformation while others do not.

The Moderating Role of Firm Size in Relationship Between Digital Strategic Behavior and Organizational Agility

The moderation findings show that firm size significantly strengthens the relationship between digital strategic behavior and agility. The effect is stronger in large firms ($\beta = 0.68$) than in medium-sized firms ($\beta = 0.56$), suggesting that resource availability amplifies the effectiveness of digital strategies.

Larger firms typically possess greater financial capital, technological infrastructure, and human resources to support digital transformation, enabling them to convert digital strategies into agile responses more efficiently (Balakrishnan & Das, 2020). However, while digital initiatives are beneficial for organizations of all sizes, the impact is notably amplified in firms with more extensive resource pools (Nwankpa & Datta, 2017).

These findings are consistent with RBV, where firms with richer digital assets and capabilities are better positioned to leverage digital strategy effectively. They also support the idea that scalability and organizational slack in large firms can accelerate the translation of digital investments into agility.

The Moderating Role of Digital Maturity in Relationship Between Digital Strategic Behavior and Organizational Agility

Digital maturity also significantly amplifies the influence of digital strategic behavior on agility. Firms with high digital maturity show a stronger relationship ($\beta = 0.70$) compared to firms with low maturity ($\beta = 0.54$), indicating that digital readiness enhances the strategic value of digital initiatives.

Digital maturity reflects not only technological sophistication but also cultural openness, leadership digital competence, and employee capability (Gökalp & Martinez, 2022). High-maturity organizations are better equipped to integrate new technologies, adopt agile workflows, and implement data-driven decisions, making them more adept at converting digital strategy into agility.

This finding supports socio-technical systems theory, emphasizing that technology alone does not drive agility, alignment between people, processes, and digital infrastructure is essential. The moderation effect demonstrates that the impact of digital strategy depends strongly on the firm's underlying readiness and digital capability base.

CONCLUSION, LIMITATION, AND RECOMENDATIONS

Conclusion

This study examines the role of digital strategic behavior in enhancing organizational agility and its subsequent influence on sustainable economic growth aligned with SDG 8. The findings provide strong empirical support for the proposed framework. First, digital strategic behavior significantly improves organizational agility, indicating that firms with intentional and integrated digital approaches are better positioned to sense, respond to, and adapt to environmental changes. Second, organizational agility positively contributes to sustainable economic growth, particularly in the areas of employment creation, productivity improvement, and decent work conditions. The mediation analysis further reveals that agility serves as a

key mechanism translating digital strategy into economic outcomes, mediating more than half of the total effect. This highlights the importance of agility as a dynamic capability that enables organizations to realize the economic potential of digital transformation. Additionally, firm size and digital maturity were found to strengthen the link between digital strategy and agility, indicating that contextual factors play a critical role in shaping the effectiveness of digital initiatives. Overall, the study demonstrates that digital transformation contributes to sustainable development not solely through technological adoption but through the organizational capacity to operationalize, adapt, and leverage those technologies. These insights offer a deeper understanding of how micro-level digital behaviors contribute to macro-level sustainability objectives embedded in SDG 8.

Limitations

Despite its meaningful contributions, this study is subject to several limitations. First, the use of cross-sectional survey data limits the ability to infer causality with full certainty; longitudinal data may provide a more robust understanding of how digital strategy and agility evolve over time. Second, the study relies on self-reported measures, which may introduce perceptual bias or common method variance despite the methodological precautions taken. Third, the sample is primarily drawn from firms with active digital initiatives, which may limit generalizability to more traditional or digitally lagging sectors. Fourth, the operationalization of SDG 8 at the firm level, while aligned with UN guidelines, captures only selected dimensions such as employment, productivity, and decent work, and may not fully encompass other macroeconomic elements of the SDG framework. Additionally, environmental, regulatory, or cultural factors unique to the country context may influence the relationships observed, suggesting that comparative studies across regions could yield broader insights.

Recommendations

Based on the findings and limitations, several recommendations can be proposed for future research and practice. For researchers, longitudinal or mixed-method designs are encouraged to capture the dynamic processes through which digital strategies shape agility and economic outcomes. Expanding the measurement scope of SDG 8 to include additional macroeconomic and social indicators may provide a more comprehensive picture of sustainable development contributions. Comparative studies across industries or countries could also illuminate contextual differences in digital transformation pathways.

For practitioners, managers should prioritize not only the adoption of digital technologies but also the development of organizational agility through flexible

structures, human resource development, and data-driven decision-making. Investments in digital maturity, such as employee training, digital leadership, and system integration, can significantly strengthen the effectiveness of digital strategies. Firms of varying sizes should tailor their digital initiatives to their resource capacities, while policymakers may support digital transformation by enhancing digital infrastructure, offering targeted incentives, and fostering capacity-building programs that align with SDG 8 objectives.

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