



Midocean University
College of Management
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**"The Impact of Digital Leadership on Organizational Agility in Emerging
Markets: Evidence from the GCC Region"**

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Introduction

In an era characterized by rapid technological advancements and economic shifts, organizations operating in emerging markets face a significant challenge: how to ensure that traditional management paradigms remain competitive. This necessitates a continuous review and adaptation of their administrative approaches to guarantee their sustainability and success in a constantly evolving environment.

Leadership's Pivotal Role in GCC: Building Adaptability and Long-Term Stability

Within the context of these emerging markets, the Gulf Cooperation Council (GCC) region stands out as a unique benchmark. Driven by ambitious national visions, it's rapidly shaping regulations and accelerating digital transformations. In such a dynamic environment, leadership plays a pivotal role in designing organizational adaptability and ensuring long-term stability. Effective leadership here isn't merely about direction; it's the driving force behind building institutional resilience and the capacity to withstand and thrive amidst rapid change.

Digital Leadership and Organizational Agility: Driving Forces of Transformation in the Digital Economy

Digital leadership has emerged as a pivotal force driving organizational change in the digital age. This leadership style transcends mere technical expertise; it demands a clear digital vision that fosters innovation, enables cross-functional collaboration, and embeds digital thinking deep within the organizational culture. This type of leadership becomes especially crucial in an environment characterized by pervasive uncertainty, complexity, and technological disruption.

Furthermore, organizational agility, the ability of an organization to quickly and effectively understand and respond to environmental changes—has become an indispensable strategic imperative. Agile organizations are better positioned to seize market opportunities, mitigate risks, and sustain superior performance amidst dynamic conditions. In the GCC, where digitization initiatives are rapidly reshaping the economic and operational landscape, agility is no longer just a competitive advantage, but a fundamental necessity.

Bridging the Research Gap: Digital Leadership and Organizational Agility in the GCC

Despite the widespread theoretical recognition of the importance of both digital leadership and organizational agility, empirical research exploring their relationship in emerging

markets remains limited, especially within the GCC context. Most existing studies are rooted in developed economies and large multinational corporations, often overlooking the unique institutional, cultural, and economic factors that influence leadership practices and organizational behavior in the Gulf region. This knowledge gap underscores the urgent need for more in-depth research to bridge this divide.

Although advance research has established leadership as a determinant for agility, the mechanisms that this effect has not yet been understood. In this connection, the employee capacity - has been proposed as a potential arbitration factor, which includes the skills, knowledge and adaptability of the work. Employed personnel are not only able to perform strategic instructions, but are also more responsible for changes, thus playing an important role in translating digital management into organizational agility. However, some studies have tested this mediation effect in the context of emerging markets.

Research problem

Digital Leadership and Organizational Agility in the GCC

In an era of accelerating digital transformations, organizations within emerging markets—particularly in the Gulf Cooperation Council (GCC) region—are confronting exceptional challenges and opportunities. Traditional leadership styles often prove insufficient to navigate the complexity and speed of changes driven by digital technologies. Here, digital leadership emerges as a strategic capability with the potential to significantly enhance organizational agility—the capacity of an enterprise to respond swiftly and effectively to market shifts and disruptions.

Despite growing global interest in digital leadership, there remains a conspicuous gap in empirical research that elucidates its specific impact on organizational agility within the unique context of GCC countries. This study aims to bridge this gap by examining how digital leadership practices influence the agility of organizations operating in the dynamic and culturally distinct environment of the Gulf region.

Research Significance

This research is important for many reasons. First, it takes up a time and relevant topic, as digital management becomes an important driver for organizational success in the digital age.

Second, it focuses on the GCC region - a region that undergoes rapid digital changes - where limited empirical research is still how leadership styles are compatible with this change.

Third, the study contributes to both educational knowledge and practical applications that provide insight that can guide leaders in increasing organizational agility through effective digital leadership practice.

Research objectives

- To conceptualize and delineate the dimensions of digital leadership within organizations in the GCC region.
- To empirically analyze the relationship between digital leadership and organizational agility.
- To identify the most impactful dimensions of digital leadership on organizational agility within the GCC context.
- To provide evidence-based practical recommendations for managers to enhance organizational agility through effective digital leadership strategies.

Main Research Question

How does digital leadership affect organizational agility in emerging markets, especially when it comes to the GCC sector?

Sub-Questions

1. What are the most important dimensions of digital management of organizational leaders in GCC?
2. To what extent does digital management increase the responsibility and adaptability of GCC organizations?
3. What aspects of digital management (eg digital vision, innovation support, digital literacy) are the most well associated with organizational agility?
4. Are there significant differences in the effect of digital leadership on agility between public and private sector organizations in GCC?

Research Hypothesis

1. GCC organizations have a statistically important positive connection between digital leadership and organizational flexibility.
2. The dimension of the digital vision of leadership positively affects organizational flexibility.

3. Support for the innovation of digital leaders is significantly associated with high levels of organizational agility.
4. There are statistically significant differences in the influence of digital leadership on organizational agility between public and private sector organizations.

Literature Review

Digital Leadership and Organizational Agility

Digital leadership is increasingly recognized as a critical enabler of organizational agility, amidst the pervasive digital transformations across various sectors. Research highlights that digital leaders are instrumental in developing and executing strategies that foster both organizational agility and competitive advantage. They cultivate an environment conducive to continuous learning, technological integration, and a culture of change (Albai, Razic et al., 2024). This leadership is especially vital in contemporary times, where digital shifts drive the digitization of business practices, the emergence of innovative business models, and the demand for flexible operations (Ramadan, Jakham et al., 2023).

The strategic integration of digital technologies such as AI, IoT, and blockchain into organizational structures has been identified as a transformative force. These technologies promote real-time decision-making and innovation, crucial elements for success in the modern business landscape (Emaoma, Ononivu et al., 2024). Furthermore, in government organizations, implementing management strategies that champion organizational agility is essential for facilitating broader digital transformations (Fuchridian, Ramli et al., 2024). Beyond specific technologies, digital leadership is acknowledged as a significant driver of organizational flexibility and technology-driven progress in Society 5.0, enhancing overall organizational outcomes by promoting innovation and sustainable business practices (Iskandar, Sobandi et al., 2024). In the Chinese context, the interplay between digital transformative leadership, organizational agility, and digital strategy significantly influences digital change within technology companies (Cui, 2024).

The rapid pace of technological change and the lasting impact of the COVID-19 pandemic have necessitated the emergence of new leadership models to meet the demands of the digital economy and the entrepreneurial community. Stoian (2023), through a systematic literature review, elucidated this shift, underscoring that managing in the digital era requires profound agility and adaptability, especially as traditional business models face disruption. His study emphasized the importance of leaders who effectively leverage technology, foster creative thinking, and embrace calculated risks. A notable theoretical contribution of this work was the delineation of leadership criteria designed to enhance performance and organizational value across various levels.

Focusing on Indonesian MSMEs, a study by Nerniawan and Amalia (2025) found that digital leadership enhances organizational agility primarily by improving employee capability. Drawing on dynamic capabilities theory, their research demonstrated how digital leadership cultivates a culture of learning, innovation, and autonomy, empowering employees to respond effectively to market changes. The study also highlighted the role of decentralized structures and open communication in fostering coordination and accountability. However, it acknowledged limitations, such as a small sample size and a lack of cross-sector comparisons, signaling a need for broader future research.

In a separate regional context, Bin Saifan (2025) explored the impact of digital leadership on organizational agility within the Sharjah Police Sciences Academy, specifically examining the mediating role of the UAE's "Zero Bureaucracy Government Program." The findings revealed a strong positive relationship between digital leadership and agility, with the government program partially mediating this link. The study recommended strengthening strategic partnerships among state institutions to streamline administrative processes in alignment with program objectives. Similarly, a field study by Salem and Athab (2024) within Iraq's Ministry of Higher Education analyzed the effect of organizational agility (through sensing, decision-making, and execution) on digital transformations. Their findings indicated that increased agility significantly improves digital transformations, particularly in leadership and infrastructure dimensions. However, the study noted that certain aspects of digital transformation remained underdeveloped, calling for greater institutional commitment to these concepts.

The existing literature generally concurs that digital leadership is a crucial driver for both organizational agility and digital transformation across private and public sectors. Nevertheless, its implementation and impact vary considerably depending on specific organizational contexts and available resources. Therefore, future research should expand cross-sector comparisons, incorporate larger sample sizes, and integrate cultural and structural dimensions to gain a more nuanced understanding of how digital leadership interacts with diverse institutional environments. This comprehensive approach will further bridge the current empirical gaps, especially in under-researched regions like the GCC.

Methodology

A quantitative research approach was used to investigate the impact of digital leadership on organizational flexibility when it comes to emerging markets with special attention to the GCC region. This approach was chosen because of its suitability to measure the ratio of variables in an objective and statistically valid way. The study's population was composed of management level employees in both public and private sector organizations in GCC. A targeted sampling technique was used to select participants with relevant experiences in digital management and organizational practices.

The data was collected through a structured questionnaire that was developed based on a comprehensive review of the current literature. The instrument was divided into three sections: demographic information, digital leadership articles and organizational agility articles. A total of 12 statements-there were six-shells related to digital leadership and six-organizational flexibility and measured using a five-point Likert scale from 1 (strongly disagree) to 5 (agreed).

To ensure the validity of the instrument, expert reviews and the response were included. In addition, a pilot study was done to limit the questionnaire. The scale's internal stability was evaluated using the Alpha of Chronbach, and the acceptable level of credibility (α) was confirmed.

Data analysis was done using the statistical package for social science. Descriptive data was used to summarize demographic properties and general trends in the data. Pierson correlation analysis was implemented to detect the relationship between digital management and organizational agility. Several regression analysis was performed to assess the prediction power of digital management on flexibility results. In addition, independently tested T-testing

was performed to investigate differences between organizations in the public and private sectors on their perception of digital management and organizational agility.

Theoretical Framework of study

This study is based in two main theoretical approaches: Digital leadership theory and dynamic capacity theory. These frameworks provide a solid base to understand how digital leadership helps to increase organizational agility, especially in the dynamic and developed environment in emerging markets such as the GCC sector.

Digital management theory emphasizes the leaders in driving digital changes in organizations Shahzad, M.U. (2024). This creates traditional leadership models - especially transformative management - by including digital competences, technical vision and the ability to promote innovation in a digital context (Hussein et al, 2024). Digital leaders are expected to create a compelling digital vision and communicate, support the culture of innovation and experiment and lead their outfits through complex digital infections (Li, Z et al, 2024). Their influence is beyond using technology; This involves the transformation of organizational structures, abilities and mindset to bloom in the digital age (Malik et al, 2024).

On the other hand, the concept of organizational agility is designed within the principle of dynamic abilities, which assumes that an organization's ability to adapt, integrate and configure an organization is again important to maintain a competitive advantage in a rapidly changing environment (Cui, J. 2024). According to this theory, organizational flexibility reflects the ability to understand market changes, confiscate opportunities and respond quickly and effectively to disorders. This includes flexibility in decision-making, speed in execution and continuous learning-all is influenced by management (Nurniawan & Amalia,2025).

By integrating these two theoretical approaches, the study concepts digital leadership as an important promoter of organizational agility (Ly, 2023). It is proposed that leaders who demonstrate digital leadership behavior - such as promoting digital learning, encouraging innovation, maintaining a clear digital vision and taking advantage of technology to increase communication - be more likely to promote agile organizations capable of navigating uncertainty and change (Karafakioglu & Afacan Fındıklı,2024).

Thus, theoretical disposition of digital leadership as a variable depending on independent variables and organizational agility, with the perception that effective digital leadership

practice makes a positive contribution to improving an organization's agility. This structure emphasizes the research model and guides the development of hypothesis and measurement structures throughout the study.

Study Limitations

- **Geographical Scope:** This study's focus solely on the Gulf Cooperation Council (GCC) region limits the generalizability of findings to other emerging markets or global contexts.
- **Methodological Approach:** The exclusive use of a quantitative research approach may not fully capture the nuanced, in-depth understanding that a qualitative or mixed-methods approach could provide regarding the complex dynamics between digital leadership and organizational agility.
- **Sampling Bias:** The study's reliance on management-level employees as the sole population source might restrict the generalizability of results to other employee levels within the organizations.
- **Data Collection Instrument:** The use of self-reported data via questionnaires introduces the potential for response bias, such as social desirability bias or subjective interpretations, which could affect the objectivity of the findings.

Research Instruments

- **Primary Data Collection Tool:** A structured questionnaire instrument to gather data.
- **Questionnaire Structure:** The questionnaire was divided into three sections:
 - **Demographic Information:** To collect background details of the participants.
 - **Digital Leadership Items:** To measure aspects related to digital leadership.
 - **Organizational Agility Items:** To assess various facets of organizational agility.
- **Scale and Items:** The instrument comprised a total of 12 statements (six for digital leadership and six for organizational agility), measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

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Survey Questionnaire

Introduction

Dear Participant,

This questionnaire is part of a research study titled: **"The Impact of Digital Leadership on Organizational Agility in Emerging Markets: Evidence from the GCC Region."**

The purpose of this study is to explore how digital leadership practices affect the ability of organizations in the GCC to respond and adapt effectively in today's dynamic business environment. Your responses will remain strictly confidential and will be used for academic research purposes only.

There are no right or wrong answers. Please respond honestly based on your experience. Thank you for your valuable contribution!

◆ Section 1: Demographic Information

1. **Gender:**
☐ Male ☐ Female
2. **Age Group:**
☐ Under 30
☐ 30–39
☐ 40–49
☐ 50 and above
3. **Sector:**
☐ Public
☐ Private
4. **Years of Experience:**
☐ Less than 5 years
☐ 5–10 years
☐ More than 10 years
5. **Managerial Level:**
☐ Top Management
☐ Middle Management
☐ Supervisory Level

◆ **Section 2: Digital Leadership**

#	Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
DL1	The leader has a clear vision for digital transformation in the organization.	☐	☐	☐	☐	☐
DL2	The leader encourages the use of technology to improve performance.	☐	☐	☐	☐	☐
DL3	The leader supports innovation and the adoption of digital ideas.	☐	☐	☐	☐	☐
DL4	The leader possesses digital skills that aid effective decision-making.	☐	☐	☐	☐	☐
DL5	The leader promotes a culture of continuous digital learning.	☐	☐	☐	☐	☐
DL6	The leader adapts quickly to rapid digital changes.	☐	☐	☐	☐	☐

◆ **Section 3: Organizational Agility**

#	Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
OA1	The organization adapts quickly to changes in the business environment.	☐	☐	☐	☐	☐
OA2	The organization can reprioritize its goals and strategies when needed.	☐	☐	☐	☐	☐
OA3	New technologies are effectively adopted within the organization.	☐	☐	☐	☐	☐
OA4	Employees are flexible in responding to organizational changes.	☐	☐	☐	☐	☐
OA5	The organization responds promptly to customer needs.	☐	☐	☐	☐	☐
OA6	Decisions are made quickly in response to changing conditions.	☐	☐	☐	☐	☐

استبيان

مقدمة

عزيزي المشارك،

هذا الاستبيان جزء من دراسة بحثية بعنوان: "تأثير القيادة الرقمية على مرونة المؤسسات في الأسواق الناشئة: أدلة من منطقة دول مجلس التعاون الخليجي".

تهدف هذه الدراسة إلى استكشاف كيفية تأثير ممارسات القيادة الرقمية على قدرة المؤسسات في دول مجلس التعاون الخليجي على الاستجابة والتكيف بفعالية في بيئة الأعمال الديناميكية الحالية. ستبقى إجاباتكم سرية تمامًا، وسنستخدم لأغراض البحث الأكاديمي فقط.

لا توجد إجابات صحيحة أو خاطئة. يُرجى الإجابة بصدق بناءً على تجربتكم.

شكرًا لمساهماتكم القيمة!

أولاً: البيانات الديموغرافية (Demographic Information)

- الجنس:
☐ ذكر ☐ أنثى
- الفئة العمرية:
☐ أقل من 30 سنة
☐ من 30 إلى 39 سنة
☐ من 40 إلى 49 سنة
☐ 50 سنة فأكثر
- القطاع:
☐ حكومي
☐ خاص
- سنوات الخبرة:
☐ أقل من 5 سنوات
☐ من 5 إلى 10 سنوات
☐ أكثر من 10 سنوات
- المستوى الإداري:
☐ إدارة عليا
☐ إدارة وسطى
☐ إدارة إشرافية

ثانيًا: القيادة الرقمية (Digital Leadership)

بيان	أوافق بشدة	أوافق	محايد	غير موافق	غير موافق بشدة
يمتلك القائد رؤية واضحة للتحويل الرقمي داخل المؤسسة.					
يشجع القائد استخدام التكنولوجيا لتحسين الأداء.					
يدعم القائد الابتكار وتبني الأفكار الرقمية الجديدة.					

4	يمتلك القائد مهارات تقنية تساعده في اتخاذ قرارات فعالة.				
5	يعزز القائد ثقافة التعلم الرقمي المستمر في المؤسسة.				
6	القائد قادر على التكيف مع التغيرات الرقمية السريعة.				

ثالثاً: الرشاقة التنظيمية (Organizational Agility)

	بيان	أوافق بشدة	أوافق	محايد	غير موافق	غير موافق بشدة
1	تتكيف المؤسسة بسرعة مع التغيرات في بيئة العمل.					
2	لدى المؤسسة القدرة على إعادة ترتيب أولوياتها بسرعة.					
3	تتبنى المؤسسة تقنيات جديدة بكفاءة.					
4	الموظفون في المؤسسة مرنون في التعامل مع التغيير.					
5	تتمتع المؤسسة بقدرة عالية على الاستجابة لمتطلبات العملاء.					
6	يتم اتخاذ القرارات بسرعة في الظروف المتغيرة.					