Dialogue Social Science Review (DSSR)
www.thedssr.com

ISSN Online: 3007-3154
ISSN Print: 3007-3146

DIALOGUE SOCIAL SCIENCE REVIEW

Vol. 4 No. 3 (March) (2026)

The Impact of Digital Leadership on Competitive Performance: Uncovering the Mediating Role of Affective Commitment in Pakistan's Organizational Context

Manahil Saeed
Institute of Management Sciences, Peshawar, Pakistan
Email: manahilsaeed573@gmail.com

ABSTRACT

Digital transformation has profoundly altered organizational competitiveness, rendering digital leadership an indispensable competency for contemporary enterprises. This research analyzes the influence of digital leadership on competitive performance, while exploring the mediating effect of affective commitment and the moderating influence of strategic agility within the organizational framework of Pakistan. Based on the Resource-Based View (RBV), the study posits that digital leadership augments organizational competitiveness by fortifying employees' emotional engagement and enhancing adaptive organizational capacities. A quantitative study design was utilized, and primary data were gathered using a structured questionnaire from employees in manufacturing, service, and technology-oriented firms in Pakistan. We used SPSS and AMOS to test the claimed connections on a total of 215 valid replies. The results show that digital leadership has a big and beneficial effect on how well a company does in competition. Furthermore, affective commitment is what connects digital leadership with competitive performance. This means that employees' emotional attachment helps turn leadership techniques into better results for the firm. The findings indicate that strategic agility enhances the correlation between digital leadership and competitive performance. This study enhances the literature by synthesizing leadership behavior, employee commitment, and organizational agility into a cohesive framework, offering practical insights for firms seeking to improve competitiveness in the digital age.

Keywords: Leadership, Affective Commitment, Competitive Performance, Strategic Agility, SEM

Introduction

The swift progression of digital technology has profoundly altered organizational operations and competition in the contemporary corporate landscape. Digital transformation has emerged as a strategic need for firms aiming to improve efficiency, foster innovation, and ensure long-term competitiveness (Vedernikov et al., 2022). In this setting, digital leadership has become an essential competency that allows firms to proficiently incorporate digital technology into strategic and operational procedures. Digital leadership denotes the capacity of leaders to leverage digital technology, foster innovation, and navigate enterprises through technological change and transformation. Recent studies highlight that firms exhibiting robust digital leadership are more adept at enhancing operational performance, promoting innovation, and maintaining competitive advantage in volatile marketplaces. Digital leaders are essential in defining digital strategy, distributing technology resources, and promoting

Dialogue Social Science Review (DSSR)
www.thedssr.com

ISSN Online: 3007-3154
ISSN Print: 3007-3146

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Literature review

Theoretical backgrounds

This study is theoretically based on the Resource-Based View (RBV) and the Dynamic Capabilities Theory, which elucidate how internal organizational resources and capabilities foster sustainable competitive performance in swiftly changing digital landscapes (Kero & Bogale, 2023). According to the Resource-Based View (RBV), firms attain competitive advantage by possessing resources that are valuable, scarce, inimitable, and non-substitutable, making them challenging for competitors to duplicate. In the modern digital age, leadership skills, technological proficiency, and staff dedication are widely acknowledged as essential strategic assets that bolster corporate competitiveness. Digital leadership is essential for using digital technology, promoting innovation, and cultivating an organizational environment that motivates individuals to embrace digital practices and effectively contribute to organizational goals (Kero & Bogale, 2023). Nevertheless, while the Resource-Based View (RBV) offers significant insights into the generation of competitive advantage through internal resources, scholars have critiqued the theory for its somewhat static viewpoint, which may fail to sufficiently reflect the dynamic and swiftly evolving character of contemporary business contexts. Dynamic Capabilities Theory highlights an organization's capacity to assimilate, develop, and reorganize internal and external resources to successfully respond to environmental changes and technology shocks (Chang et al., 2025). In the digital transformation of enterprises, digital leaders are essential in cultivating competencies through the promotion of learning, innovation, and strategic adaptability. Effective digital leadership can promote employees' emotional attachment and identification with the organization, known as affective commitment, which serves as a vital intangible resource that improves employee engagement, collaboration, and productivity. From the Resource-Based View (RBV), affective commitment is a significant organizational asset that enhances performance, whereas from the dynamic capabilities perspective, dedicated employees bolster organizational adaptability by aiding the execution of digital strategies and technological innovations (Mollah et al., 2024).

In Pakistan's developing digital economy, digital leadership is increasingly acknowledged as a crucial factor in competitive performance, especially when bolstered by robust employee commitment and a culture that fosters digital innovation and technological adoption (Kunert et al., 2022). Furthermore, the notion of strategic agility enhances these theoretical frameworks by highlighting the organization's capacity to perceive environmental shifts, swiftly modify strategies, and reorganize resources to capitalize on new opportunities. strategy agility is typically defined by three meta-capabilities: strategy sensitivity, resource flexibility, and collective commitment, which together empower businesses to effectively address technology upheavals and market volatility (Su et al., 2022). Organizations that integrate digital leadership with strategic agility are more adept at converting digital projects into enhanced organizational results and enduring competitive advantage. This study integrates the Resource-Based View, Dynamic Capabilities Theory, and strategic agility to comprehensively analyze how digital leadership affects competitive performance through the mediating role of affective commitment, while emphasizing the moderating role of strategic agility in Pakistan's organizational context.

DL and CP

DL denotes the amalgamation of conventional leadership skills with digital proficiencies that empower leaders to adeptly leverage digital technologies to improve organizational

ISSN Online: 3007-3154
ISSN Print: 3007-3146

performance and competitiveness. In the modern digital age, enterprises increasingly depend on advanced technologies, data analytics, and digital platforms to enhance innovation, operational efficiency, and strategic decision-making (Su et al., 2022). Digital leaders are essential in steering firms through digital transformation by aligning technological resources with strategic objectives and promoting the adoption of innovative digital practices among employees. These leaders integrate visionary thinking with technological proficiency, allowing them to motivate teams, encourage information exchange, and cultivate a culture that enhances organizational growth and flexibility (Yasir Altaf et al., 2025) As industries grow via rapid technological advancements, businesses need leaders with digital acumen and the capability to incorporate digital tools into business processes for sustained success and enhanced performance outcomes.

Empirical studies demonstrate that digital leadership favorably impacts multiple aspects of organizational success, such as innovative capacity, digital transformation, and sustainable performance. Leaders possessing robust digital competencies are more inclined to foster innovation, facilitate cooperation, and execute digital strategies that improve organizational efficiency and competitiveness (Manzoor et al., 2025). Furthermore, leaders possessing past experience in digital technologies frequently endorse organization-wide digital transformation projects, which enhance productivity, strategy alignment, and value generation within firms. These activities enable companies to enhance their digital strategy, adapt efficiently to market fluctuations, and bolster their competitive stance in evolving business landscapes.

Despite the increasing acknowledgment of digital leadership as a crucial factor in organizational success, a significant vacuum persists in the literature concerning its direct impact on competitive performance, especially in emerging economies. Most prior research has focused on the correlation between digital leadership and broader outcomes such as innovation, digital transformation, or organizational effectiveness, whereas few attention has been directed towards competitive performance as a strategic objective. This disparity is especially pronounced in growing economies such as Pakistan, where firms are progressively embracing digital technologies to maintain competitiveness in global marketplaces. Moreover, although elements like strategic collaboration, supplier integration, organizational learning, and information sharing are acknowledged as significant determinants of competitiveness in the Fourth Industrial Revolution, the precise influence of digital leadership on improving competitive performance in technology-driven industries is still inadequately examined (Adepoju & Esan, 2023). Consequently, this study posits that digital leadership substantially enhances competitive success. Consequently, the subsequent hypothesis is posited:

H1: DL has a positive relationship with CP.

Mediation Effect of AC

AC denotes employees' emotional commitment, identification, and engagement with their organization, which inspires loyalty and fosters constructive contributions to organizational objectives. Employees with robust affective commitment exhibit elevated engagement, inventive behavior, and job performance due to their perception of a significant congruence between personal beliefs and company goals. Leadership practices significantly enhance emotional connection, as supportive and enabling leaders foster an environment that promotes trust, collaboration, and organizational loyalty. Leadership strategies that prioritize empowerment, communication, and employee engagement have been shown to markedly improve employees' AC, resulting in enhanced individual and organizational performance results (Manzoor et al., 2025).

Dialogue Social Science Review (DSSR)
www.thedssr.com

ISSN Online: 3007-3154
ISSN Print: 3007-3146

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Research within the Pakistani organizational context demonstrates that employees who perceive themselves as valued and supported by their leaders are more inclined to forge emotional connections with their organizations, leading to enhanced motivation, collaborative behavior, and organizational citizenship behaviors that bolster organizational effectiveness (Manzoor et al., 2025). Furthermore, AC is extensively acknowledged as a significant psychological mechanism that connects leadership practices with organizational performance results. Employees having a profound emotional connection to their organization are more inclined to exert additional effort, disseminate knowledge, and endorse organizational efforts that improve productivity and competitiveness. Previous empirical research in Pakistan indicates that affective commitment markedly enhances employee performance, job happiness, and organizational loyalty, especially when employees recognize substantial organizational support and equitable leadership practices (Udin, 2023). Furthermore, prior studies have investigated affective commitment as a mediating variable in several organizational relationships, including the connections between leadership and employee performance, organizational justice and job outcomes, and work–life balance and employee satisfaction. Nonetheless, despite its theoretical importance, the mediating function of emotive commitment in the association between digital leadership and competitive performance remains largely unexamined in developing economies such as Pakistan (Shin et al., 2023). Consequently, this study posits that AC serves as a crucial method via which digital leadership impacts CP. Consequently, the subsequent hypotheses are posited:

H2: AC mediates the relationship among DL and CP.

Strategic Agility (Moderating Role)

Strategic agility denotes an organization's capacity to swiftly and efficiently adapt to environmental shifts, technological shocks, and new market opportunities, all while preserving strategic stability and competitiveness (Mollah et al., 2024). In the current rapidly evolving and technology-centric business landscape, firms must consistently modify their strategies, procedures, and resources to maintain competitiveness. Strategic agility allows organizations to detect environmental shifts, execute prompt strategic decisions, and reorganize resources to capitalize on emerging possibilities and alleviate associated risks. It is integrated into organizational frameworks, leadership methodologies, and cultural principles that promote adaptability, responsiveness, and creativity. In the Pakistani business milieu, researchers have indicated that businesses exhibiting elevated strategic agility are more equipped to respond to swift technological advancements and enhance overall organizational performance (Al Taweel & Al-Hawary, 2021). Strategic agility fosters organizational learning and proactive decision-making by prompting organizations to consistently analyze past experiences, evaluate current strategic initiatives, and predict future market trends, thereby enhancing organizational competitiveness and sustainability. Moreover, strategic agility can enhance the efficacy of leadership practices by allowing firms to synchronize leadership behaviors with evolving environmental conditions and employee expectations. Prior study in Pakistan indicates that agile businesses are more adept at facilitating leadership initiatives that enhance employee engagement, cooperation, and creativity, hence leading to superior organizational outcomes (Lyn Chan & Muthuveloo, 2021). In these contexts, leadership strategies that prioritize digital transformation and technological adoption are more likely to positively affect employees' psychological attitudes and emotional commitment to the firm. Previous research has predominantly focused on strategic agility

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www.thedssr.com

ISSN Online: 3007-3154
ISSN Print: 3007-3146

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as a determinant of organizational performance or innovation results, with little emphasis on its moderating role in leadership-related dynamics (Manzoor et al., 2025). The moderating role of strategic agility in enhancing the link between dynamic capabilities and organizational performance remains largely unexamined in developing economies like Pakistan. Given that strategically agile organizations exhibit enhanced flexibility and adaptability to facilitate digital transformation initiatives, it is probable that digital leadership will exert a more significant impact on employees' emotional attachment in these contexts, resulting in superior competitive performance (Li, 2024). Consequently, a hypothesis is posited:

H3: Strategic agility moderates the relationship between digital leadership and competitive performance.

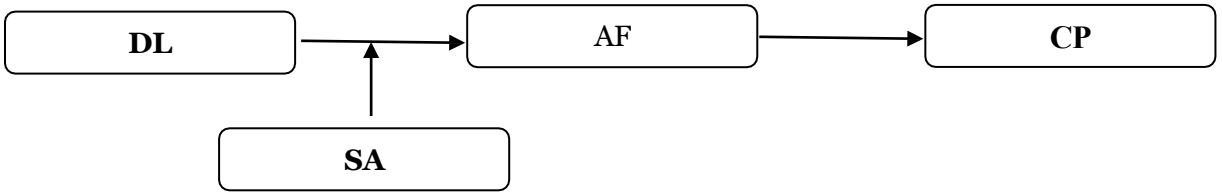

Figure 1 Conceptual Framework

Research methodology

A quantitative research approach is utilized in this study in order to conduct an empirical investigation into the proposed research framework within the context of Pakistan's organizational structure. In order to acquire primary data from individuals working in firms that are involved in digital transformation and technology-driven operations, a survey design known as a cross-sectional survey was utilized. The population that was intended to be taken into consideration was comprised of management and professional staff members who have sufficient expertise and understanding concerning organizational strategies and digital practices. The data were obtained through the use of a structured questionnaire, which was then sent to respondents through the use of a non-probability convenience sampling strategy. This method is often utilized in organizational and management research in order to access respondents within certain professional settings. In order to guarantee the reliability and validity of the measurements, the items on the questionnaire were taken from previously validated scales that were reported in well-established research that were accepted for publication in respected international journals. A Likert scale with five points, ranging from 1 (strongly disagree) to 5 (strongly agree), was used to evaluate each and every response. Before beginning the primary phase of data collecting, a pilot study was carried out with a limited number of respondents in order to evaluate the clarity, reliability, and contextual fit of the questionnaire. There were some small adjustments made to the survey instrument in order to improve its general quality and the language of the instrument before it was sent for the final data collection. These adjustments were made based on the feedback that was obtained.

Sampling

This study gathered primary data from employees working in Pakistani firms that were involved in manufacturing, non-manufacturing, service, and technology-based activities. A strategy known as purposive sampling was utilized in order to target professionals who were willing to participate in the survey and who possessed appropriate knowledge and

ISSN Online: 3007-3154
ISSN Print: 3007-3146

experience in relation to organizational digital activities. Directly approaching potential respondents at their places of employment, the researchers provided them with an explanation of the aims of the study and offered them to fill out the questionnaire either in printed form or by following a link to an online survey. In order to encourage more people to take part in the survey, follow-up reminders were sent out within a day or at a time that was convenient for the respondents. Email invites were also sent out in order to broaden the scope of the outreach and guarantee a representative sample of the population. The impressions and levels of agreement that respondents had with the study statements were evaluated through the use of a standardized questionnaire that was based on a five-point Likert scale, with 1 indicating strong disagreement and 5 indicating strong agreement. A total of five hundred questionnaires were handed out to individuals working for a variety of firms in Pakistan. The total number of questionnaires that were returned was 250, which represents a response rate of fifty percent. Following the completion of data screening and the elimination of replies that were incomplete, 233 valid questionnaires were kept for the purpose of the final analysis.

Measurement Instruments

For the purpose of ensuring both reliability and conceptual validity, all of the constructs that were investigated in this study were operationalized by employing validated measuring scales that were derived from previous empirical research. A questionnaire with a systematic format was designed, and all of the items were evaluated using a Likert scale with five points, ranging from 1 (strongly disagree) to 5 (strongly agree). Minor alterations were made to the phrasing in order to guarantee that the scales would be contextually appropriate for companies that operate in Pakistan, while at the same time preserving the basic meaning of the original scales. According to Mihardjo et al. (2019), measuring digital leadership was accomplished by utilizing six items that were derived from earlier research that investigated leadership characteristics in situations that were driven by technology and digital transformation. These aspects measure the capacity of leaders to foster digital innovation, stimulate the adoption of technology, and provide assistance to employees in the utilization of digital technologies for the purpose of enhancing organizational performance. The statement "Our leaders encourage the use of digital technologies to improve organizational processes" is an example of a sample item that is used to measure digital leadership. Emotional commitment was evaluated with the help of eight items that were taken from Mollah et al.'s (2024) methodology. The scale measures the emotional attachment, identity, and loyalty that employees have with their organization. Employees who have a high affective connection to their organization are more likely to experience a sense of belonging and to be driven to contribute to the success of the organization. The statement "I feel emotionally attached to my organization" is an example of a representative item that is included in the questionnaire. The competitive performance of an organization was evaluated by using eight indicators that were generated from previous research. These indicators measure an organization's ability to surpass its competitors in terms of productivity, innovation capabilities, and market responsiveness (Alkahtani et al., 2020). According to studies on strategic management, these indicators are utilized extensively for the purpose of evaluating the competitiveness and effectiveness of organizations. The statement "Our organization performs better than competitors in terms of market performance" is an example of a topic that is frequently discussed in this research. Based on the findings of Ivory and Brooks (2018), a total of eight questions were utilized to assess strategic agility. The capacity of a business to quickly adapt to shifting environmental conditions, reallocate

Dialogue Social Science Review (DSSR)
www.thedssr.com

ISSN Online: 3007-3154
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resources, and make adjustments to its strategy in order to preserve its competitiveness is evaluated using this standard. The flexibility and responsiveness of businesses that are working in dynamic business contexts are reflected in the strategic agility of those firms. One example of a question that could be included on this scale is, "Our organization is able to quickly adjust its strategies in response to changes in the market."

Analytical Procedures

In order to ensure that the research approach was comprehensive, the study incorporated both secondary and primary sources of data information. In the beginning, so that the theoretical underpinning could be established and the research framework could be developed, a comprehensive review of the available literature was carried out. A structured questionnaire was used to collect primary data for the purpose of conducting in-depth empirical research. In order to develop the questionnaire and increase the clarity and relevance of the items, a pilot study was carried out prior to the main survey. This study involved five respondents. After that, a preliminary reliability assessment was carried out by utilizing Cronbach's alpha on the basis of replies from twenty participants. The results above the acceptable level ($\alpha > 0.50$), which indicates that the measurement instrument possesses satisfactory initial dependability. In the final analysis, statistical methods were utilized, and SPSS version 28 and AMOS version 27 were utilized for the respective applications. The statistical package known as SPSS was utilized to carry out descriptive statistics, correlation analysis, as well as reliability and validity assessments.

Results

Demographic Analysis

The demographic results indicate that the majority of respondents were male (66.1%), while females represented 33.9%, showing a male-dominated sample. Most participants were aged 26–29 years (56.2%), with very few in the 34–37 years category (0.4%), suggesting that the data largely reflects younger individuals. In terms of education, nearly half of the respondents were postgraduates (47.6%), whereas only 2.1% held PhD degrees, indicating a highly educated but limited doctoral representation. Regarding work experience, the majority had 11 years or more experience (62.5%), followed by 6–10 years (24.9%) and 1–5 years (12.6%), demonstrating that most respondents were experienced professionals. Overall, the sample is predominantly male, young, well-educated, and experienced.

Table 1 Demographic Analysis

Demographic Variable	Category	Frequency (n)	Percentage (%)
Gender	Male	142	66.1%
	Female	73	33.9%
Age	26–29 years	121	56.2%
	34–37 years	1	0.4%
Education	Postgraduate	102	47.6%
	PhD	5	2.1%

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ISSN Online: 3007-3154
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Work Experience	1–5 years	27	12.6%
	6–10 years	54	24.9%
	11 & more	134	62.5%

Factor Analysis

Table 2 indicate the descriptive statistics. Digital Leadership reported a mean of 3.24 (SD = 0.72), Affective Commitment had a mean of 3.12 (SD = 0.75), and Competitive Performance showed the highest mean of 3.45 (SD = 0.69), suggesting relatively stronger perceptions among respondents. Strategic Agility demonstrated acceptable variability (SD = 0.72), indicating consistent responses. The correlation results reveal positive relationships among all variables. Digital Leadership is moderately correlated with Affective Commitment (r = 0.48), Competitive Performance (r = 0.51), and Strategic Agility (r = 0.47), suggesting that higher digital leadership is associated with improved employee commitment, performance, and agility. Affective Commitment also shows positive associations with Competitive Performance (r = 0.58) and Strategic Agility (r = 0.45). Furthermore, Competitive Performance has a moderate relationship with Strategic Agility (r = 0.54). The diagonal values ranging from 0.74 to 0.79 indicate satisfactory reliability and discriminant validity. Overall, the findings suggest that all constructs are positively related and no multicollinearity issue exists, supporting further hypothesis testing.

Table 2: CR, AVE and F.L

Construct	F. L	Alpha	CR	AVE
Digital Leadership	0.71 – 0.86	0.87	0.89	0.60
Affective Commitment	0.70 – 0.88	0.85	0.91	0.62
Competitive Performance	0.72 – 0.87	0.90	0.85	0.64
Strategic Agility	0.67 – 0.86	0.88	0.91	0.58

Descriptive Statistics

Table 3 provides descriptive data as well as relationships between the various constructs that were investigated. In general, respondents demonstrated a moderate to high level of agreement with the constructs, as indicated by the mean scores, which range from 3.69 to 3.80. It is followed by Digital Leadership (M = 3.78, SD = 0.71), Affective Commitment (M = 3.72, SD = 0.74), and Strategic Agility (M = 3.69, SD = 0.72). The mean value for Competitive Performance is the highest, with a mean of 3.80 and a standard deviation of 0.68. The findings of the correlation show that there are positive links between all of the variables. The concept of digital leadership has been found to have a positive correlation with Affective Commitment (r = 0.49), Competitive Performance (r = 0.52), and Strategic Agility (r = 0.46). In a similar vein, Affective Commitment has a positive association with both Competitive Performance (r = 0.56) and Strategic Agility (r = 0.44), even if Competitive Performance also has a positive correlation with Strategic Agility (r = 0.53). Furthermore, the diagonal values that indicate the square root of AVE (0.74–0.79) are greater than the inter-construct correlations, which demonstrates that there is sufficient discriminant validity among the constructs. The findings, taken as a whole, point to the existence of moderately positive associations and provide evidence that the variables under investigation are distinct.

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Table 3: Discriminant Validity

Constructs	Mean	SD	1	3	4	5
Digital Leadership	3.24	0.72	**0.77**			
Affective Commitment	3.12	0.75	0.48	**0.74**		
Competitive Performance	3.45	0.69	0.51	0.58	**0.79**	
Strategic Agility	3.24	0.72	0.47	0.45	0.54	**0.77**

Hypothesis Testing

In Table 4, the β and t-values, as well as the bootstrapping process, were applied to analyze the data. A considerable beneficial influence on competitive performance is indicated by the findings, which imply that digital leadership has a significant impact. H1 is supported by these findings.

Table 4: Hypothesis Results

Hypothesis	Path	β	t-value	Result
H1	DL → CP	0.32	8.71	Supported

Mediation Analysis

Table 5 reveals that affective commitment is a strong link between digital leadership and competitive performance (β = 0.16, t = 3.56). This is because the confidence interval (0.06–0.21) does not include zero, as shown in Table 4.

Table 5: Mediation Analysis (Bootstrapping Results)

Path	Indirect Effect (β)	t-value	95% CI Lower	95% CI Upper
DL → AC → CP	0.16	3.56	0.06	0.21

Moderation Analysis

Table 6 shows that strategic agility has a big effect on the link between digital leadership and competitive performance. This means that more strategic agility makes the favorable effect of digital leadership on competitive performance even stronger.

Table 6: Moderation Analysis

Path	β	t-value	p-value	Result
DL × SA → CP	0.16	2.98	0.000	Supported

Discussion

This study investigated the impact of digital leadership on competitive performance, focusing on the mediating effect of affective commitment and the moderating effect of strategic agility within the organizational setting of Pakistan. The empirical findings robustly validate the proposed study model and yield significant insights into the role of leadership competencies in enhancing organizational competitiveness within digitally evolving contexts. First, the results show that digital leadership has a big beneficial effect on how well a company does in competition. This finding corroborates H1 and aligns with other research indicating that executives with robust digital skills are essential for improving organizational performance and competitiveness. Digital leaders help

ISSN Online: 3007-3154
ISSN Print: 3007-3146

organizations use digital tools, promote new ideas, and make decisions based on data to make them more effective (Vedernikov et al., 2022; Yasir Altaf et al., 2025). Likewise, previous studies demonstrate that firms helmed by digitally proficient executives are better equipped to execute digital transformation programs that improve efficiency, foster innovation, and secure a sustainable competitive edge (Manzoor et al., 2025). The results of this study support the idea that digital leadership is a crucial strategic skill that helps businesses deal with changes in technology and stay competitive in fast-changing business contexts. Second, the data show that affective commitment is a strong link between digital leadership and competitive success, which supports H2. This finding indicates that leadership actions affect organizational outcomes via employees' emotional attachment and identification with the organization. Digital leaders that encourage open communication, empowerment, and learning about technology make the workplace a better place to work, which makes people more emotionally attached to the company (Mollah et al., 2024). Employees that are strongly committed to their jobs are more likely to be engaged, do things that are good for the company, and come up with new ideas at work, all of which help the company do better overall (Udin, 2023). These findings align with previous research indicating that affective commitment serves as a crucial psychological mechanism connecting leadership behaviors to organizational outcomes, including employee performance and organizational effectiveness (Shin et al., 2023; Manzoor et al., 2025). Third, the results show that strategic agility has a big effect on the link between digital leadership and competitive performance, which supports H3. This means that companies who are more strategically agile are better able to use their digital leadership skills to become more competitive. Strategic agility allows companies to quickly adapt to changes in their environment, rearrange their resources, and use new strategies in markets that are changing quickly (Vrontis et al., 2023). Previous research indicates that strategically agile firms are better equipped to synchronize leadership initiatives with organizational strategy and technical innovations (Alfarajat, 2023; Li, 2024). Consequently, digital leadership is more effective in enhancing organizational performance when bolstered by robust strategic agility. In general, the findings of this study corroborate the theoretical underpinnings of the Resource-Based View (RBV) and Dynamic Capabilities Theory, which posit that leadership competencies, employee engagement, and strategic flexibility serve as essential organizational assets that bolster competitive advantage in swiftly evolving contexts (Kero & Bogale, 2023; Liu et al., 2022).

Theoretical Contributions

This research offers significant theoretical advancements to the literature concerning digital leadership, strategic management, and organizational behavior. First, the study adds to the digital leadership literature by showing with data that digital leadership has a direct impact on competitive success. While prior research has predominantly concentrated on the correlation between digital leadership and outcomes like innovation capability, digital transformation, or organizational effectiveness, there exists a paucity of studies investigating competitive performance as a strategic organizational outcome (Vedernikov et al., 2022; Adepoju & Esan, 2023). By concentrating on competitive performance, this study enhances the comprehension of how leadership competencies influence companies' capacity to surpass rivals in digitally transforming markets. Second, this study enhances the literature on leadership and organizational behavior by pinpointing affective commitment as a critical mediating factor connecting digital leadership to competitive success. Prior studies have focused on mediators including

ISSN Online: 3007-3154
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innovative behavior and information sharing; nevertheless, the influence of employees' emotional attachment in converting leadership practices into performance results has garnered insufficient empirical scrutiny (Shin et al., 2023; Mollah et al., 2024). By including affective commitment into the research framework, this study elucidates the psychological mechanisms through which digital leadership impacts organizational outcomes. Third, the study enhances strategic management research by integrating strategic agility as a moderating variable. Strategic agility denotes an organization's capacity to perceive alterations in the environment and swiftly modify its strategies and resources (Vrontis et al., 2023). Although prior research has investigated strategic agility as an indicator of organizational performance, its moderating influence in leadership-related dynamics has yet to be thoroughly researched (Alfarajat, 2023). Consequently, the results of this study enhance the comprehension of the interplay between organizational capabilities and leadership practices in bolstering competitive outcomes. Finally, this study concentrates on companies in Pakistan, offering empirical evidence from an emerging country characterized by fast digital change that is yet relatively under-explored (Kunert et al., 2022). This adds to the body of research by showing how leadership, employee dedication, and strategy agility work together in developing economies that are going through technological change.

Practical Implications

The results of this study have several important real-world effects on leaders, managers, and policymakers in organizations. First, companies should make it a priority to help their managers and executives become better digital leaders. To lead digital transformation efforts well, leaders need to know a lot about technology and have a clear vision for the future. Leaders may develop their digital skills and make their companies more competitive by taking training courses that focus on digital technologies, innovation management, and making decisions based on data (Yasir Altaf et al., 2025). Second, companies should work on making their employees more emotionally committed to their jobs. Leaders may make people feel more emotionally connected to their jobs by creating supportive work environments, encouraging them to take part in decision-making, and praising their efforts. When workers feel emotionally attached to their company, they are more likely to be more engaged, creative, and productive (Udin, 2023; Manzoor et al., 2025). Third, businesses should work on becoming strategically agile so they can quickly adapt to changes in technology and the market. Companies that are strategically agile can swiftly change their plans, move resources around, and take advantage of new opportunities that come up because of digital transformation (Vrontis et al., 2023). So, managers should push for adaptable organizational structures, foster continuous learning, and use decision-making procedures that are flexible and help the business be agile. Lastly, authorities in developing countries like Pakistan should promote digital transformation by backing programs that help leaders grow, building technology infrastructure, and supporting digital innovation projects. These kinds of efforts can help businesses enhance their digital skills and make them more competitive in the global digital economy.

Limitation and future directions

This study, however contributory, possesses some shortcomings that present avenues for future research. First, this study utilized a cross-sectional research methodology, which constrains the capacity to determine causal correlations among the variables. Subsequent research may utilize longitudinal methodologies to investigate the impact of digital

ISSN Online: 3007-3154
ISSN Print: 3007-3146

leadership on employee commitment and organizational success over time. Second, the data were gathered by self-reported questionnaires, potentially leading to common method bias. Statistical methods were used to lessen this problem, but future studies might get data from more than one source, including managers, supervisors, or records of how well the company is doing, to make the results stronger. Third, the sample for this study was confined to organizations in Pakistan, perhaps restricting the applicability of the findings to other nations or cultural settings. Subsequent research may do cross-country comparative analyses to ascertain the consistency of the correlations observed in this study across various institutional and cultural contexts. This study concentrated on affective commitment as a mediating variable and strategic agility as a moderating variable. Subsequent research may investigate various mediating and moderating variables, like organizational learning capability, innovation capability, or technology preparedness, which could elucidate the impact of digital leadership on organizational competitiveness (Shin et al., 2023; Li, 2024).

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ISSN Print: 3007-3146

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