



(RESEARCH ARTICLE)



## The role of dynamic capabilities in achieving business sustainability: The case of PT XYZ Indonesia

Lucky Budi Setiawan and Lena Ellitan \*

*Faculty of Business, Widya Mandala Catholic University Surabaya, Indonesia.*

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### Abstract

In the midst of escalating globalization and rapid digital transformation, companies face increasingly complex challenges not just to survive, but to thrive. This research focuses on PT. Bumi Pembangunan Pertiwi, a family-owned company with a long-standing presence in the building materials and fast-moving consumer goods (FMCG) sectors, striving to overcome competitive pressures and rapidly changing consumer paradigms. The central research question is: How can a family-owned company with limited resources implement dynamic capabilities to enhance its competitiveness and sustainability in a dynamic market? This study explores the theory of dynamic capabilities: sensing, seizing, and transforming as a theoretical framework to address this question. Employing a qualitative approach with a case study method, this research delves into the internal and external dynamics of the company. Through primary data obtained from in-depth interviews with senior management and employees, and secondary data from company documents, this analysis reveals how PT. Bumi Pembangunan Pertiwi responds to the rapidly changing market challenges. The findings demonstrate that the company has successfully performed market sensing to accurately identify opportunities and threats, utilized seizing to capture these opportunities through product innovation and diversification, and effectively conducted transforming to optimize organizational structure and information technology. This success not only strengthens their market position but also provides valuable lessons for other family-owned companies in Indonesia facing globalization and digitalization.

**Keywords:** Dynamic Capability; Strategic Management; Sustainability

### 1. Introduction

In today's business world, companies no longer only face local, regional, national but also global competition. Globalization and technological developments have brought major changes to traditional business models, forcing companies to adapt and change their ways of competing. Additionally, today's modern customers have changing preferences, and technology plays an important role in changing the way customers interact with companies. Market pressure and increasingly tight business competition, the urgent need for digital transformation to force companies to become more efficient, meet modern customers, as well as global demands and regulations that require companies to be socially and environmentally responsible also put additional pressure on companies to transform.

As a response to these changes, an important concept emerged in the strategic management literature, namely dynamic capabilities. This concept was introduced by Teece, Pisano and Shuen (1997) and focuses on a company's ability to adapt and innovate in the face of changes in the company's external environment. This dynamic capability is not only the ability to survive, but also the ability to take advantage of the opportunities that arise from these changes. In other words, companies that have dynamic capabilities can reshuffle and adapt their resources to maintain competitiveness in an ever-changing market. The urgency of implementing Dynamic Capabilities is very necessary so that companies can

\* Corresponding author: Lena Ellitan

respond to changes in the business environment and ensure the sustainability of their business by building long-term competitiveness.

PT XYZ, a family company which initially operated in the building materials distribution sector, especially cement, then along the way also expanded into non-cement products, as well as FMCG (fast-moving consumer goods) daily consumption goods. This company has survived for more than thirty-three years in a highly competitive market. The company's success in maintaining its position in the market for more than three decades can be seen as a result of implementing an adaptive and dynamic strategy.

However, the challenges faced by PT XYZ does not stop here. In recent years, the emergence of new competitors, changes in consumer preferences, changes in supplier policies and digital transformation have given companies an additional leg to stay competitive. Digital transformation in particular has had a significant impact on companies' business processes, from how they interact with customers to how they manage supply chains. Therefore, it is important for PT XYZ to further develop its dynamic capabilities in order to maintain business sustainability in the future.

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This research will dig deeper into how PT XYZ uses its dynamic capabilities to adapt to changes in the business environment, especially in facing digital transformation and competitive pressures. This research will explore and examine the company's business strategy, the adaptations that have been made, and how all of this can support the competitiveness and sustainability of the business in the future.

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## 2. Objectives of the Study

*This research aims to*

- Identify the dynamic capabilities that have been implemented by PT. XYZ to face changes in the business environment.
- Analyze the business strategy used by PT XYZ to maintain the sustainability of its business, especially in the building materials distribution and FMCG sectors.
- Examining the role of digital transformation in developing dynamic capabilities and increasing company competitiveness.
- Develop strategic recommendations for the company in an effort to maintain business sustainability in the future.

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## 3. Literature Review

### 3.1. Dynamic Capabilities Theory

Dynamic Capabilities theory was first introduced by Teece, Pisano and Shuen (1997) to explain how companies can survive and have a competitive advantage to face changes in the business environment which is very dynamic and often faces uncertainty. Dynamic Capabilities are a company's ability to integrate, rebuild and overhaul internal and external competencies in response to rapid external changes. This theory is considered very relevant for companies that are trying to adapt to new technology, market changes, and ever-changing consumer preferences.

### 3.2. Dynamic Capabilities

Based on a study conducted by Buzzao & Rizzi (2020), dynamic capabilities play an important role in creating sustainable innovation. They state that the ability to integrate sustainability into a company's strategy is the result of the company's ability to re-configure resources in a sustainable manner. On the other hand, there are also Mousavi et al. (2016) determined that the microfoundations of dynamic capabilities can support sustainable innovation with strong sensing, permission and transformation capabilities. Eikelenboom & de Jong (2019) found that dynamic capabilities are also relevant for small and medium companies (SMEs). Their research shows that if a company has good sensing capabilities, it will be able to detect sustainable market trends, while seizing and transforming capabilities support success in integrating sustainability goals.

Dynamic Capabilities consist of three main components, namely:

- Sensing: The company's ability to identify changes occurring in the market, detect new opportunities, and monitor emerging threats.
- Seizing: Once an opportunity is identified, the company must take steps that are considered strategic to be able to benefit from the opportunity.
- Transforming: In order to remain competitive in an ever-changing business environment, companies must be able to carry out internal transformation.

### 3.3. Strategic Management.

Strategic management is a systematic process consisting of analyzing the business environment, strategy formulation and strategy implementation to achieve the company's long-term goals. According to Mintzberg (1987), strategic management is a company's way of navigating dynamic environmental challenges, so that the company can respond with the right strategy. Strategic management includes three main steps:

- Analysis: The first step in strategic management is to carry out an analysis of the company's external and internal business environment. Analysis can involve observing markets, competitors, government regulations, and global and national economic conditions. Companies can also carry out internal analysis and evaluation of their resources and capabilities.
- Formulation: After carrying out the analysis, the next step is to formulate a strategy that is appropriate to the existing business environment.
- Implementation: After the strategy has been formulated, the next stage is implementation, where this is the key step to ensure the strategy is implemented effectively. Implementing this strategy really requires good coordination between departments and divisions within the company and requires optimal resource allocation. Research by Da Giau et.al (2019) also emphasizes the importance of integrating dynamic capabilities into the strategic management process to support business sustainability.

### 3.4. Sustainability Theory

Sustainability theory focuses on how companies can create value through a balance between economic, social and environmental aspects. This theory refers to the Triple Bottom Line concept introduced by Elkington (1998), which emphasizes that companies must consider three main dimensions in their business operations:

- Economic: This dimension includes achieving company profitability in the long term through efficient and innovative business strategies.
- Social: Companies must also consider the possible social impacts of their operations, including their responsibilities towards society, employees and local communities. This could include a sustainable corporate social responsibility (CSR) program.
- Environment: The environmental dimension emphasizes the importance of companies to protect and maintain the natural environment.

The study by Cezarino et al. (2018) highlights that sustainability must be an integral part of corporate culture and management strategy. They state that sustainability is not only a compliance issue, but can also provide a competitive advantage for companies that can integrate sustainability principles into their operations. Gieaue al. (2019) found that companies that focus on sustainability are also more likely to undertake environmentally friendly innovations, which in turn helps them achieve long-term sustainability.

### 3.5. Previous Research

In every research, there needs to be a strong rationale to support the analysis carried out. Various previous studies can provide valuable insight into how companies can survive and develop amidst the challenges of an ever-changing business world. This research seeks to explore lessons from these studies, which cover themes such as digitalization, business diversification, resource governance and sustainability.

One of the important points that can be taken away is how digitalization is the main catalyst in increasing operational efficiency and providing flexibility for companies. Previous research can also show that digitalization not only helps companies respond quickly to market changes but also creates competitive advantages. In addition, business diversification strategies have also been highlighted in previous studies. Through diversification, companies can reduce the risks that arise from dependence on one sector.

Furthermore, the dynamic capabilities theory introduced by experts such as Teece, Pisano, and Shuen provides a systematic framework for understanding how companies can remain competitive. Elements such as sensing (the ability to detect opportunities), seizing (the ability to capture opportunities), and transforming (the ability to adapt to change) are very important in dealing with market dynamics. In addition to digitalization and dynamic capabilities, previous research also highlights the importance of integrating sustainability in corporate strategy. Sustainability is not only seen as a regulatory requirement but also as an opportunity to create long-term value for companies, society and the environment.

The overall findings from previous research provide a rich and useful guide to understanding how companies can remain relevant, competitive, and contribute positively to society. By exploring these insights, this research aims to offer a deeper perspective on the role of dynamic capabilities in achieving business sustainability in the modern era.

**Table 1** Previous research

No	Author & Year	Research Title	Research Findings	Relevance for PT. Mother Earth Development
1.	Hermanto, Widyarini & Darma (2024)	Digitalization Impact on Sustainable Firm Performance of Small, Medium, and Large Business in Indonesia.	.Digitalization increases organizational agility and supports company performance. Digitization is also a source of competitive advantage.	Digitalization supports distribution operational efficiency and flexibility in responding to market changes.
2.	Monroe, S.A. (2006)	Resource Governance Strategy and its Impact on Firm Performance: A Cross-sectional Study.	Good governance of resources, including their allocation and utilization, is important in responding to market changes.	Transforming company resources supports adaptation to market pressures and competition.
3.	Feldman, E.R. (2020)	Corporate Strategy: Past, Present, and Future Trends in Multi-business Firms.	Business diversification through a multibusiness strategy can create value and maintain sustainability.	PT product diversification. Bumi Pembangunan Pertiwi in building materials and FMCG strengthens the sustainability of its business.
4.	Sylvia, T., Sembiring, N.B., & Ulfiyati, N. (2021)	Distribution Strategies Analysis Using AHP and TOPSIS: A Distribution Company Case Study in Yogyakarta.	Selecting the right distribution strategy is based on criteria, cost, speed and flexibility.	Relevant to PT's distribution strategy. Bumi Pembangunan Pertiwi in responding to dynamic market demands.
5.	Teece, D.J., Pisano, G., & Shuen, A. (1997)	Dynamic Capabilities and Strategic Management: Integrating Resources and Competitive Advantage	Companies must develop sensing, seizing and transforming capabilities to adapt to a dynamic business environment.	Dynamic capabilities help PT XYZ responds to market and technological changes.
6.	Cezarino, L.O., Caldana, A.C.F., Alves, M.F.R., & Liboni, L.B. (2018)	Dynamic Capabilities for Sustainability: Revealing the Systemic Key Drivers in High Tech Firms	Sustainable innovation is driven by sensing, seizing, and transforming capabilities in response to external pressures.	Digital transformation and innovation that supports the sustainability of PT XYZ
7.	Di Giau, A., Foss, N.J., Furlan, A., & Vinelli, A. (2019)	Environmental Transformation and Dynamic Capabilities: An Exploratory Study in the Fashion Industry	Dynamic capabilities support sustainability transformation in the fashion industry through green innovation.	Sustainable transformation can strengthen PT's competitive position. Bumi Pembangunan Pertiwi in the distribution sector.

8.	Mousavi, S., Bossingk, B., & van Vliet, M. (2019)	Dynamic Capabilities and Organizational Routines for Managing Innovation Towards Sustainability	Dynamic capabilities support environmental innovation with powerful sensing capabilities and organizational transformation	Continuous innovation and internal transformation are the keys to PT's long-term competitive advantage. Bumi Pembangunan Pertiwi.
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**Figure 1** Conceptual Framework Drawing

### 3.6. Dynamic Capabilities as a Foundation for Company Adaptation.

Dynamic capabilities (sensing, seizing, transforming) are the core of a company's ability to remain competitive in a dynamic business environment. This capability reflects the company's flexibility in navigating external changes, such as technological developments, regulatory changes, or fluctuations in market demand.

- Sensing: allows companies to detect market changes, identify new opportunities, and detect emerging threats.
- Seizing: after opportunities have been identified, the next step is to utilize them appropriately. In this process, decisions can be made regarding product development, market expansion and operational innovation.
- Transforming: Transforming capabilities enable companies to continuously update and adapt organizational structures and internal processes in order to respond to continuous changes.

### 3.7. Strategy Management as an Implementation Process.

Strategic management functions as the main driver which translates the company's dynamic capabilities into concrete actions that support sustainability. This process involves three main stages, namely analysis, formulation and implementation.

- Analysis: The analysis process begins with an evaluation of the external environment (market trends, competitors and technology) and the internal environment (resource capacity and internal strengths of the company).
- Formulation: Based on the results of the analysis, the company formulates the right strategy to overcome challenges and take advantage of opportunities.

Implementation: The formulated strategy is implemented through operational changes, resource allocation and appropriate organizational arrangements. Sustainability as the Final Goal.

Sustainability is the ultimate goal of this entire process, which consists of three main aspects: economic, social and environmental. Every aspect needs to be paid attention to simultaneously so that the company can survive in the long term.

- **Economic Sustainability:** Companies are required to be profitable and efficient in carrying out their business operations.
- **Social Sustainability:** Companies must also consider the social impact of their communities, including employees, customers and communities.
- **Environmental Sustainability:** Environmental sustainability includes efforts to minimize negative impacts on the environment and green innovation in its supply chain

**3.8. Synergy between components.**

The relationship between Dynamic Capabilities, Strategic Management and Sustainability interacts with each other and forms a sustainable cycle. The dynamic capabilities possessed by a company are the basis for the formulation and implementation of effective business strategies. The right strategy can ultimately support companies to achieve long-term sustainability, both from an economic, social and environmental perspective.

**Table 2** Conceptual Framework

<b>Component</b>	<b>Description</b>	<b>Implementation</b>
Dynamic Capabilities	The company's ability to adapt, especially to changes in the dynamic business environment	Sensing : Detect changes and market trends as well as technology trends that occur Seizing : Taking opportunities through product diversification. Transforming : Digital transformation for efficiency.
Strategic Management	Proses analisis, formulasi, dan implementaasi strategi bisnis. The process of analyzing, formulating and implementing business strategies.	Analysis: Analysis: Evaluate market trends, competitors, and internal resources. Formulation: Designing product diversification and distribution digitization. Implementation: Optimizing Organizational Structure.
Sustainability	Focus on economic, social and environmental aspects to achieve long-term goals.	Economy: Distribution operational efficiency  Social: Employee programs and employee welfare  Environment: Environmentally friendly technology and distribution chain.

**4. Research methods**

**4.1. Research Paradigm**

This research uses a qualitative paradigm with a historical research approach. The qualitative paradigm was chosen because this research aims to understand in depth how PT XYZ develops and implements dynamic capabilities to achieve business sustainability amidst many changes in the business environment. This approach also allows for a deeper exploration of the phenomena occurring in the company through analysis of processes, strategies and policies that have been implemented for more than three decades.

The historical research approach here not only looks at the company's journey from a chronological perspective, but also analyzes the changes that have occurred systematically, including how the company formulates business strategies to achieve long-term sustainability. This approach is in accordance with qualitative research guidelines which are aimed at understanding phenomena in natural contexts and providing in-depth descriptions (Creswell & Poth, 2018).

#### **4.2. Data Types and Sources**

This research uses primary data and secondary data as sources of information needed to answer the questions in this research (Tracy 2019). These two types of data will complement each other to provide a holistic picture of the implementation of dynamic capabilities and sustainability strategies at PT. Mother Earth Development.

- **Primary Data:** Primary data was obtained by in-depth interviews with informants selected purposively. Interviews will of course be conducted with company owners, senior managers and key employees who are directly involved in making strategic decisions, namely decisions related to distribution, innovation and sustainability. This primary data is very important because it allows researchers to gain direct insight from the actors involved in the company's strategic process.
- **Secondary Data:** Secondary data that will be used consists of internal company documents such as annual reports, financial reports, business strategies, and other internal documents that are relevant to this research. Then academic literature and journal articles relevant to this research, especially the concepts of dynamic capabilities, strategic management and sustainability, will be used to enrich the analysis.

#### **4.3. Data Collection Methods and Instruments**

Data collection was carried out through a combination of in-depth interview techniques and documentation, with the main focus being extracting qualitative information that was considered relevant to the research objectives. Interviews were conducted following the guidelines from King et al. (2018) while company documents were used to track changes in business strategy.

#### **4.4. Research Informant**

Research informants will be selected purposively based on their involvement in company strategic decision making (Merriam & Tisdell, 2015). Key informants include people who have key roles in formulating and implementing company strategy, especially in relation to the distribution of building materials and FMCG, as well as the integration of digital transformation. The selection of informants must also take into account their position in the organizational hierarchy and their experience in managing change. The criteria for selecting informants are as follows:

- **Company Owner:** The company owner becomes a central player in directing the company's long-term vision and strategy. They will provide perspectives related to history, business philosophy, as well as strategic decisions that have been taken in maintaining business sustainability.
- **Senior Managers:** Managers responsible for business development, distribution and innovation will be interviewed to gain views regarding more technical strategy implementation. They will provide information about how companies respond to market and technological changes. They were chosen because they have a strategic role in the company and are involved in decision making and have worked for a minimum of five years.
- **Key employees:** Employees who are directly involved in the company's daily operations, especially in the distribution and logistics division, will provide insight into strategy implementation and how they adapt to the transformation that has been carried out by the company.

The number of informants is determined until it reaches the data saturation point, where no new information emerges. Key data will be obtained through in-depth interviews with owners, senior managers and key employees.

#### **4.5. Data analysis**

Data analysis in this research was carried out through thematic analysis, and this also allowed researchers to identify patterns that emerged from the data collected (Braun & Clarke, 2019). The analysis process was carried out in stages and systematically, as follows:

- **Data Transcription:** Data from interviews will be transcribed in full to ensure all information provided by informants is documented accurately.
- **Coding:** After the data has been transcribed, it is coded. Coding is done by marking important parts of the data related to the themes raised in this research, such as sensing, seizing, transforming, and sustainability

strategies. This coding is expected to help researchers organize data and simplify the subsequent analysis process.

- **Theme Grouping:** The identified codes will be grouped into themes that are relevant to the research questions. For example, regarding digitalization strategies, sustainability innovations, and implementation of distribution strategies which are the main focus in this analysis.
- **Interpretation and Triangulation:** After the main themes have been identified, the next step is to interpret the findings within the theoretical framework used in this research
- **Conclusion:** Based on the results of thematic analysis and data triangulation, the researcher will draw conclusions that can answer the research questions and provide insight into the research object.

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## 5. Results and Discussion

### 5.1. Overview of Results

This section is the core of the research, where the main focus is exploring how PT XYZ has succeeded in facing various challenges and taking advantage of opportunities in the ever-growing business world. As a company that has been established for more than three decades, PT XYZ has quite a long experience and is full of dynamics, from times of crisis to the era of digital transformation. This success is certainly not the result of mere coincidence.

In a business world full of uncertainty, the ability to continuously adapt is the first key to success. PT XYZ shows this through the application of the Dynamic Capabilities concept, which was introduced by Teece, Pisano, and Shuen (1997). This concept is an important foundation in this research because it offers a systematic framework for understanding how companies can survive and develop in an ever-changing environment. Dynamic Capabilities consist of three main elements:

- **Sensing:** The ability to detect opportunities and threats in the market.
- **Seizing:** Efforts to capture opportunities with strategic steps.
- **Transforming:** Internal adaptation process to maintain relevance and competitiveness.

These three elements are not only the basis for the analysis in this research, but are also a real reflection of what PT XYZ has done over the years of operation. For example, when the COVID-19 pandemic hit, companies quickly detected changes in market needs (sensing), such as increasing demand for FMCG products compared to building materials. PT XYZ immediately took strategic steps (seizing), by increasing its focus on FMCG distribution, while simultaneously carrying out internal transformation (transforming) through the adoption of digital technology such as Enterprise Resource Planning (ERP) and Customer Relationship Management (CRM) systems.

Sustainability is also an important theme in this research. In the modern business world, a company's success is not only measured by the profits it produces, but also by its contribution to society and the environment. PT XYZ has adopted the Triple Bottom Line (TBL) approach, which includes three main dimensions:

- **Economic:** Ensure operational efficiency and profitability.
- **Social:** Providing a positive impact on society, including through the Corporate Social Responsibility (CSR) program.
- **Environment:** Maintain environmental sustainability through carbon footprint reduction initiatives and logistics efficiency.

This approach not only reflects the company's values but also shows PT XYZ's long-term vision to become a relevant and responsible company. Harsono Lukito, President Director of PT XYZ, in his interview stated, "We believe that business is not just about numbers, but about how we create a meaningful impact for customers, employees and the wider community."

Apart from that, this research also highlights how PT XYZ has succeeded in utilizing technology as a tool to strengthen operations and create added value for stakeholders. Digital transformation not only increases company efficiency but also allows PT XYZ to remain competitive amidst increasingly fierce competition. By utilizing ERP systems to manage supply chains and CRM to understand customer needs, these companies not only respond to market changes but also create new opportunities that can be profitable. Overall, this chapter not only discusses PT XYZ's achievements but also provides insight into how the company can become more resilient and relevant through a systematic, innovative and



sustainability-oriented approach. It is hoped that this chapter will provide inspiration and learning for other companies facing similar challenges in their industry.

## 5.2. Company History and Development

PT Bumi Pembangunan Pertiwi (PT XYZ) started its journey in 1991 as a small shop that focused on selling building materials in Madiun, East Java. With a strategic location and service oriented towards customer needs, this shop is starting to get attention from local contractors and the local community. The founder of PT XYZ, Harsono Lukito, has a big vision to build a business that not only provides quality products but also becomes a trusted solution for construction needs in the region.

In its journey, PT XYZ faced quite a few challenges. Tight competition in the building materials industry and changing market needs require companies to continue to innovate. In the early 2000s, this company began establishing partnerships with large cement factories in Indonesia. This step allows PT XYZ to expand its reach from a local shop to a distributor of building materials in various areas of East Java, including Kediri, Malang, Surabaya and several other areas in East Java. The decision to focus on distribution of building materials, especially cement, became the foundation of the company's growth during the first decade.

However, as stated by Harsono Lukito, the business world is never static. In 2011, PT XYZ made a big step by diversifying its portfolio into the Fast-Moving Consumer Goods (FMCG) sector. This decision is not without reason. Harsono sees that dependence on one business segment, such as building materials, carries big risks, especially amidst global economic uncertainty. With PT XYZ's entry into the FMCG sector, the company began distributing consumer products such as food, beverages and household necessities, collaborating with big brands such as Nestle, Dua Kelinci and Unicharm.

This diversification step not only provides income stability but also opens up new opportunities to expand market reach. According to Harsono, "Diversification is our way of staying relevant. The world is constantly changing, and we have to change with it." This strategy proved invaluable when the COVID-19 pandemic hit in 2020. Demand for building materials dropped drastically due to delayed construction projects, while the need for FMCG products increased rapidly due to changing public consumption patterns. With an established distribution network and a more diverse product portfolio, PT XYZ is able to face the challenges of the pandemic more resiliently than many of its competitors.

One of the keys to PT XYZ's success in facing change is the courage to innovate and adapt. In the early years, innovation may seem simple, such as improving customer service or ensuring stock availability. However, as companies grow, innovation begins to involve large investments in technology. In 2008, PT XYZ adopted an Enterprise Resource Planning (ERP) system to manage inventory and supply chains. This step allows the company to optimize its operations, reduce waste and increase efficiency. This ERP system is the foundation for the company's expansion into the FMCG sector, as it provides better visibility into market needs and operational performance.

Apart from technological innovation, a family-oriented company culture also plays an important role in the success of PT XYZ. Harsono always emphasizes the importance of strong relationships between employees and management. "We're not just building a business; we're building a community and a network," he said. This philosophy is visible in the company's various initiatives, such as training programs for employees, educational scholarships for their children, and annual events that strengthen relationships between teams.

PT XYZ's success is also supported by visionary leadership and a dedicated team. Harsono and his management team always strive to not only respond to market changes but also lead these changes. This can be seen from the way they design a long-term oriented diversification strategy, taking into account global trends and local needs. In interviews, Harsono often mentions that sustainability is at the core of everything they do, both in business, social and environmental aspects.

Looking at its long journey, PT XYZ is a real example of how a small company can grow into a big player through a combination of innovation, adaptation and dedication. From a small shop in Madiun, PT XYZ is now known as one of the leading distributors of building materials and FMCG in East Java. However, behind every achievement, there is a passion to continue learning and developing. "We never consider ourselves finished," said Harsono. "Every challenge is an opportunity to get better."

The history and development of PT XYZ is not only about business expansion, but also about how core values such as integrity, innovation and family can become a solid foundation to face a future full of uncertainty. With a strong

foundation and clear vision, PT XYZ continues to move forward, ready to face the next challenges and create a positive impact for customers, employees and society.

### 5.3. Company Vision, Mission and Values

PT Bumi Pembangunan Pertiwi (PT XYZ) has a big vision to become a "Leading Distributor", a simple statement but full of meaning. For PT XYZ, being a leader is not only about being the largest on an operational scale, but also about being the best in providing added value to customers, partners, employees and society. This means being a company known not only for its profitability but also for its positive environmental and social impact. This vision is the foundation that drives every strategic step of the company.

To realize this vision, PT XYZ carries a strong and focused mission, covering five main pillars:

- **People Excellence:** PT XYZ believes that employees are the company's most important asset. Therefore, the company continues to invest in human resource development through training, skills development programs and an inclusive work culture. Employees are encouraged to learn, grow, and give their best, not only for the company but also for themselves.
- **Place Excellence:** Being a reliable distributor means ensuring products arrive at the right place, at the right time. PT XYZ has built an efficient and extensive distribution network, covering various strategic areas. Modern technology, such as GPS systems for logistics, is used to increase distribution efficiency and reduce delivery times.
- **Product Excellence:** PT XYZ only distributes high quality products from trusted brands. This includes building materials that meet construction standards as well as FMCG products that are trusted by consumers in all distribution areas.
- **Partnership Excellence:** PT XYZ does not only see business partners as mere suppliers or customers, but as part of a mutually supportive ecosystem. Strategic collaboration with partners allows the company to continue to grow and meet dynamic market needs.
- **Performance Excellence:** Every step taken by PT XYZ is always directed at achieving the best results, both in terms of operations and relationships with stakeholders. This is reflected in the strict use of key performance indicators (KPIs) to monitor and evaluate all processes.

PT XYZ's core values are summarized in the acronym L VISTA, namely:

- **Leadership:** Providing inspiration through leadership with integrity and innovation.
- **Value:** Adding value to every product and service provided.
- **Integrity:** Prioritizing honesty, transparency and ethics in every action.
- **Service:** Providing customer service with innovation and empathy.
- **Teamwork:** Building harmonious collaboration and mutual support between employees.
- **Action:** Act responsibly and be results-oriented.

### 5.4. Organizational Structure

PT Bumi Pembangunan Pertiwi (PT XYZ) understands that a successful organization requires a solid, flexible and efficient structure. The organizational structure at PT XYZ is designed not only to ensure operational efficiency, but also to create a work environment that supports cross-division collaboration. Each element in this structure has specific responsibilities, but they work together within an integrated framework, reflecting the company's philosophy of "One Command."

### 5.5. Organizational Culture

PT XYZ's corporate culture is a core element that differentiates this company from its competitors. With the "One Command" philosophy, PT XYZ creates a work atmosphere that is collaborative, inclusive and supports innovation. This culture is not only reflected in relationships between employees but also in the way the company interacts with partners and the community.

#### 5.5.1. Kinship as the Foundation

PT XYZ places family as the foundation of its culture. This philosophy is clearly visible in the way the company treats employees as part of the extended family. One concrete example is the Liem Kim Hien Scholarship Program, which

provides educational scholarships to employees and the surrounding community. This program is not only a form of appreciation for employees but also a way for the company to contribute to the local community.

### **5.6. Initiative to Improve Work Relations**

Apart from the scholarship program, PT XYZ also holds various activities to strengthen relationships between employees. Activities such as company anniversary celebrations, group sports, and leadership training create a positive work atmosphere.

### **5.7. Innovation Culture**

This family culture also encourages innovation. In one of the interview sessions, a director of people performance and culture explained how the company encourages every employee to provide new ideas. "We believe that big ideas often come from employees' everyday experiences. That's why we always listen and give them room to experiment."

### **5.8. Response in Difficult Times**

PT XYZ's culture was tested during the COVID-19 pandemic, and the company succeeded in proving its commitment to employees. No employees experienced layoffs during the pandemic, despite enormous financial pressures. Additionally, the company provides additional support, both financial and emotional.

### **5.9. Research Findings**

In facing ever-changing market dynamics, PT Bumi Pembangunan Pertiwi (PT XYZ) has demonstrated extraordinary adaptability through the implementation of various strategies based on in-depth data analysis. This approach includes the implementation of Dynamic Capabilities, strategic management and integrated sustainability strategies. This analysis explains how PT XYZ is able to take advantage of opportunities, manage challenges, and create a positive impact on the business, employees and society.

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## **6. Dynamic Capabilities: The Case of PT XYZ**

Dynamic capabilities are an important foundation in PT XYZ's strategy to remain competitive. This approach includes three main elements: sensing (detecting opportunities), seizing (taking strategic steps), and transforming (adapting to change).

### **6.1. Sensing: Quickly Identifying Opportunities**

PT XYZ has a system that allows them to detect market changes in real-time. By using technology such as Enterprise Resource Planning (ERP) and Customer Relationship Management (CRM), companies can analyze sales data, inventory and customer preferences in depth. This system helps companies read consumption patterns and identify new trends.

During the COVID-19 pandemic, for example, ERP and CRM played an important role in helping PT XYZ identify shifting market needs. When demand for building materials dropped drastically due to the cessation of construction projects, companies immediately noticed a surge in demand in the Fast Moving Consumer Goods (FMCG) sector. One marketing manager shared, "We could see changes in customer shopping patterns in just the first few weeks of the pandemic. With the data we have, we immediately took steps to meet these needs."

CRM also allows PT XYZ to provide more personalized service to customers. For example, through analyzing customer preferences, companies offer discounts on certain products that are in demand in certain regions. This approach not only increases sales but also strengthens customer loyalty.

### **6.2. Seizing: Exploiting Opportunities Strategically**

PT XYZ's strategic step in diversifying its product portfolio into the FMCG sector is a clear example of the seizing element. This diversification provides much-needed financial stability during periods of uncertainty, such as the COVID-19 pandemic. FMCG is not only a new source of income but also opens up opportunities to reach a wider market.

Adoption of e-commerce is also a big step in taking advantage of emerging opportunities. PT XYZ developed an online platform that allows customers to order products easily, track delivery status, and get customer support quickly.

### **6.3. Transforming: Adapting to Change**

Transformation is the core of PT XYZ's dynamic capabilities. Companies are not only responding to change but also building new capabilities to stay relevant in the market. This transformation includes developing human resources through regular training programs, adopting new technology, and strengthening a culture of innovation.

Implementation of the Human Resource Information System (HRIS) is one of the important transformation steps. This system helps companies manage employee recruitment, training and performance appraisal processes more efficiently. Apart from that, the company also holds leadership training to prepare the next generation of leaders.

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## **7. Strategic Management**

PT XYZ's strategic approach is based on an in-depth analysis of strengths, weaknesses, opportunities and threats (SWOT). This process allows companies to formulate strategies that are relevant to market realities.

### **7.1. Analysis: Basis for Strategy Formulation**

Through SWOT analysis, PT XYZ can understand their position in the market and identify areas that need improvement. For example, companies realize that their strengths lie in their extensive distribution networks and diverse product portfolios. However, the analysis also revealed weaknesses such as limited distribution networks outside East Java.

### **7.2. Formulation: Designing Strategic Steps**

The results of this analysis are then translated into concrete strategies. One of PT XYZ's main focuses is product diversification to reduce dependence on one market segment. This strategy includes expansion into the FMCG sector, digitalization of operations, and strengthening relationships with business partners.

### **7.3. Implementation: Cross-Division Collaboration**

The formulated strategy is implemented through cross-division collaboration. PT XYZ ensures that each division has a specific role but still works within an integrated framework. The implementation process is monitored regularly through key performance indicators (KPI), ensuring that each strategic step delivers the expected results.

One operations manager shared how this collaboration helped improve efficiency. "We frequently hold cross-divisional meetings to evaluate performance and look for ways to improve operations. This approach makes everyone feel involved and responsible for the success of the company."

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## **8. Sustainability**

PT XYZ adopts a Triple Bottom Line (TBL) approach to ensure that their success is not only measured in economic terms but also in terms of social and environmental impacts. This approach includes three main dimensions:

### **8.1. Economics: Operational Efficiency**

PT XYZ is committed to improving operational efficiency to support financial stability. Through logistics optimization and the use of ERP technology, the company succeeded in reducing operational costs without sacrificing service quality. "We believe that efficiency is the key to long-term survival," said one operations director.

### **8.2. Social: Positive Impact on Communities**

PT XYZ also focuses on social contributions through corporate social responsibility (CSR) programs. One of the superior programs is the Liem Kim Hien Scholarship, which provides scholarships to the children of employees and the surrounding community. This program not only improves the quality of education but also strengthens relations between companies and local communities.

### **8.3. Environment: Commitment to Sustainability**

PT XYZ understands the importance of maintaining environmental sustainability. The company has adopted various initiatives to reduce negative impacts on the environment, such as:

- Optimize distribution routes to reduce carbon emissions.
- Encourage the use of environmentally friendly building materials.

- Reduce waste through better inventory management.

#### 8.4. Data Visualization

PT XYZ's organizational structure is designed with a strategic and flexible approach to ensure operational efficiency and harmonious collaboration. With the "One Command" philosophy, this structure aims to create effective cross-divisional coordination so that each part of the organization can contribute optimally to company goals.

At the highest level, the President Director leads the company with strategic vision, ensuring the direction taken is aligned with long-term goals. The Chief Executive Officer (CEO) acts as the main executor of strategy, managing daily operations, and bridging strategic decisions with their implementation in the field.

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### 9. Main Components in Organizational Structure

#### 9.1. Building Materials Division.

Focuses on distribution of building materials such as cement and other construction products. His job is to ensure the availability of high quality products, timely delivery, and build good relationships with contractors and business partners. This division has been the main pillar of the company since the inception of PT XYZ.

##### 9.1.1. Fast-Moving Consumer Goods Division (FMCG).

This division handles the distribution of consumer products such as food, drinks and household necessities. Supported by Customer Relationship Management (CRM) technology, this division monitors customer shopping patterns and designs relevant marketing strategies. During the pandemic, this division became a balance when demand for building materials decreased.

##### 9.1.2. Operation and Business Development Department.

This department plays an important role in managing operational efficiency while seeking business expansion opportunities. The main tasks include:

- Operation: Oversee logistics, supply chain and warehouse management to ensure distribution runs efficiently and on time.
- Business Development: Identifying new opportunities, both through product diversification and market expansion. This department is also tasked with analyzing market trends, developing market entry strategies, and innovating to strengthen the company's competitive position.

##### 9.1.3. CEO Office.

The CEO Office is the strategic coordination center, ensuring each division and department is aligned with the company's vision and mission. The main tasks include:

- Support the CEO in overseeing strategy implementation throughout the organization.
- Manage cross-division strategic communications to ensure synergy.
- Provide data analysis and regular reports that help make strategic decisions.
- Act as a control center in emergency situations or the need for rapid coordination at the organizational level.
- Supporting Function
- Finance, Accounting, and Tax: Manage financial aspects, financial reports and tax compliance
- People Performance & Culture: Responsible for human resource development, work culture and employee welfare.
- Information & Technology: Providing technological support for operational efficiency and company digitalization.
- Business Development: Focus on product innovation, expansion strategy, and collaboration with new partners.
- Operations and Logistics.

This department is tasked with managing product delivery, optimizing the supply chain, and ensuring product availability in all distribution areas. This team often collaborates with information technology to increase efficiency.

## 10. Figure Net Sales 2019 to 2023

**Table 3 Net Sales** (In Millions of Rupiah)

	2019	2020	2021	2022	2023
Net sales	722.708	738.197	741.376	800.378	955.122

The net sales picture of PT Bumi Pembangunan Pertiwi (PT XYZ) from 2019 to 2023 reflects the story of a company's resilience and adaptation amidst market dynamics and global challenges. This sales trend is not only an indicator of financial performance, but also reflects the company's strategy in facing external changes, including the impact of the COVID-19 pandemic.

In 2019, PT XYZ showed stable performance, driven by high demand in the building materials sector which is the company's core business. This year was a year when many large construction projects ran smoothly, so the company was able to maximize opportunities in the market. However, the situation changed drastically in 2020 when the COVID-19 pandemic hit, causing construction projects to be temporarily halted. As a result, the building materials sector experienced a significant decline in demand.

On the other hand, the company has succeeded in balancing these challenges through its FMCG division. Demand for daily necessities products increased rapidly during the pandemic due to changes in people's consumption patterns which are more focused on essential needs. The diversification strategy that had been initiated several years earlier had borne fruit, enabling PT XYZ to maintain revenue stability even though the building materials market was experiencing major pressure.

Starting in 2021, PT XYZ is showing signs of recovery. Supported by the adoption of technology such as Enterprise Resource Planning (ERP) to increase distribution efficiency and Customer Relationship Management (CRM) to understand customer purchasing patterns, companies are able to better capture market opportunities. This digitalization not only improves operational efficiency but also provides deeper insight into consumer needs.

2022 will be a moment of revival for the company, where construction projects resume, and the building materials sector begins to recover. Net sales increased significantly, reflecting the effectiveness of PT XYZ's strategy in responding to market changes. The peak will occur in 2023, where the company records its highest sales performance in the last five years. This is proof that diversification strategies, digital transformation and focus on customer needs bring real results.

Overall, this sales trend illustrates the journey of PT XYZ which not only survives but also thrives amidst challenges. This data shows how the company continues to adapt, capitalize on opportunities and maintain relevance in a competitive market.

### 10.Challenges to be Overcome

#### 10.1. Internal Challenges

Internally, one of the big challenges faced by PT XYZ is its still high dependence on certain distributors. This causes the company to be in a less flexible position when the market experiences fluctuations. In addition, logistical constraints, such as distribution gaps in some regions, create obstacles in ensuring products are available on time and in the right quantities.

#### 10.2. External Challenges.

From the external side, tight competition with other large distributors is a challenge that must be faced. In addition, changes in global raw material prices affect price stability in local markets. In this condition, companies need to maintain a balance between price competitiveness and service quality to customers.

### **10.3. Opportunities that can be exploited**

#### *10.3.1. Internal Opportunities.*

Even though there are challenges, PT XYZ also has a lot of potential from within. One of them is optimizing existing logistics assets. By utilizing a more efficient and technology-based system, companies can improve their supply chain so that operations become leaner and faster.

#### *10.3.2. External Opportunities.*

Apart from that, great opportunities also come from the external environment. For example, the increase in demand for building material products in certain areas provides a great opportunity for PT XYZ to expand its market reach. In addition, close collaboration with SIG opens up access to a wider distribution network, greater resources and strategic support that strengthens the company's position in the market.

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## **11. Discussion**

Researchers want to provide a more in-depth analysis of the research results that have been presented, by connecting empirical findings with relevant theories from the conceptual framework. This discussion not only explains the findings but also brings to life how the strategies implemented by PT Bumi Pembangunan Pertiwi (PT XYZ) play an important role in facing business challenges, as well as creating long-term sustainability.

### **11.1. Dynamic Capabilities: Adaptability is a Key**

As a company operating in a business environment full of uncertainty, PT XYZ shows extraordinary adaptability through the application of the dynamic capabilities concept. In this framework, three key elements—sensing, seizing, and transforming—become strategic tools for survival and growth.

### **11.2. Sensing: The Ability to See Beyond**

In the organizational structure visualization, we see how PT XYZ utilizes technology such as ERP and CRM to observe the market and read changes. A manager in the FMCG Division shared, “ERP is like our radar. We can detect every small change in the market immediately, allowing us to act quickly.” This was seen during the COVID-19 pandemic, when PT XYZ was able to identify a surge in demand in the FMCG sector and immediately shifted their operational focus.

### **11.3. Seizing: Targeted Strategic Action**

Product diversification into the FMCG sector is the most prominent seizing step. In the 2019-2023 turnover visualization, you can see how this sector has become the company's savior during difficult times. Seizing is also reflected in the way PT XYZ responds quickly to market changes. For example, data-driven discount offers generated from CRM not only increase sales but also strengthen customer loyalty. This approach shows that PT XYZ understands the importance of embracing technology to optimize opportunities.

### **11.4. Transforming: Becoming Better Than Before**

Transformation is not only about changing systems, but also changing mindsets. Organizational structure visualization shows how Information Technology (IT) and Human Resources (HR) functions work together to create meaningful transformation. HRIS implementation, for example, allows companies to be more efficient in managing recruitment and training.

With regular training and management support, PT XYZ ensures that every individual feels empowered to contribute to the company's growth.

### **11.5. Strategic Management: Planned and Measurable Steps**

PT XYZ not only moves with instinct but also with a mature plan. The strategic management approach described in Chapter 2 includes strategy analysis, formulation, and implementation. SWOT analysis provides a solid foundation for companies to understand where they are and where they need to go.

### **11.6. Be aware of Strengths and Weaknesses**

In the SWOT visualization, PT XYZ shows great strength in logistics infrastructure and financial stability. However, the company is also aware of weaknesses such as dependence on certain suppliers. One logistics director admitted, “We

have a strong distribution network, but we need to be more self-sufficient in terms of supply. This is an area we continue to improve.”

### **11.7. Stepping with the Right Formulation**

Product diversification and operational digitalization strategies are formulations that are relevant to market challenges and opportunities. The visualized distribution of the 2024 work program shows that PT XYZ is not only focused on expansion but also on efficiency and digital transformation. An operations director stated, "We are not only pursuing turnover targets but also building a foundation for long-term growth."

### **11.8. Sustainability: Not Just Surviving, But Making an Impact**

Sustainability at PT XYZ is not only about maintaining profits but also providing a positive impact on society and the environment. The Triple Bottom Line (TBL) economic, social and environmental dimensions are the main sustainability framework implemented by the company.

### **11.9. Economic Dimensions: Stability Through Efficiency**

ERP-supported logistics optimization not only reduces operational costs but also increases delivery efficiency. In the turnover graph, the significant increase in 2023 shows how this strategy has succeeded in supporting the company's economic growth.

### **11.10. Social Dimension: Giving Back to the Community**

CSR programs such as the Liem Kim Hien Scholarship are a true reflection of PT XYZ's values. One scholarship recipient stated, "This is more than just educational assistance. This is hope for a better future." Programs like these not only strengthen the company's ties with local communities but also create a sense of pride among employees.

### **11.11. Environmental Dimensions: Moving Responsibly**

The SWOT visualization shows how PT XYZ is trying to reduce its environmental impact through more efficient distribution routes and the promotion of environmentally friendly building materials.

### **11.12. Company Culture: Collaborative and Family Spirit**

"One Command" is at the core of PT XYZ's culture, ensuring that every individual in the company feels part of a large family. During the pandemic, this culture has proven to be a powerful force. No employees were laid off, and the company even provided additional support to look after their well-being.

### **11.13. Challenges and Recommendations**

Visualization of regional performance shows that there is a gap between high-performing regions such as Madiun and low-performing regions such as Jember. This is a challenge that needs to be addressed with a more focused and relevant strategy.

#### *11.13.1. Strategic Recommendations*

- Regional Expansion: Opening new markets outside East Java to increase geographic diversification.
- Partner Strengthening: Strengthen relationships with suppliers to ensure supply stability.
- Digital Innovation: Integrate artificial intelligence (AI) for smarter market analysis and operations.
- Broader CSR: Expanding social programs to include larger environmental initiatives.

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## **12. Conclusion**

This research has explored how PT Bumi Pembangunan Pertiwi (PT XYZ) applies dynamic capabilities to maintain business sustainability amidst increasingly complex modern business challenges. The important elements of dynamic capabilities, namely sensing, seizing and transforming, have proven to be the basis for the company's adaptation and innovation, as well as the key to maintaining competitiveness in the market. PT XYZ's sensing capabilities are reflected in its ability to recognize market opportunities and anticipate potential threats. One concrete example is when the company succeeded in identifying the increasing public need for FMCG products during the COVID-19 pandemic. With the support of CRM (Customer Relationship Management) technology, PT XYZ is able to understand consumer needs in



depth and respond to them quickly and accurately. This capability shows that the company is not only reactive but also proactive in facing change.

Seizing capabilities can be seen from the strategic steps taken by PT XYZ to capture new opportunities and optimize existing resources. Product diversification from building materials to the FMCG sector is concrete evidence of how the company has succeeded in creating income stability amidst the challenges of the building materials market. Apart from that, developing distribution channels through e-commerce opens up access to a wider market, which is the right strategy in the digital era.

The transformation element, namely the ability to transform, is PT XYZ's main strength in adapting to changes in the business environment. The digital transformation carried out, including the implementation of ERP (Enterprise Resource Planning) and HRIS (Human Resource Information System) systems, not only increases operational efficiency but also strengthens the company's internal management. This transformation builds a stronger foundation for long-term sustainability, enabling the company to remain relevant in a dynamic market.

Furthermore, this research found that PT XYZ has begun to integrate the Triple Bottom Line (TBL) principle in its sustainability strategy. In the economic aspect, the company demonstrates financial stability through operational efficiency and product diversification. From a social aspect, PT XYZ emphasizes its commitment to the welfare of employees and the community through various CSR programs specifically designed to help the community during the pandemic. From an environmental aspect, companies are starting to adopt more environmentally friendly business practices, such as logistics efficiency aimed at reducing carbon emissions.

The combination of implementing dynamic capabilities and focusing on sustainability has proven to be an effective strategy for PT XYZ to survive and develop in an increasingly competitive market. This research provides strong evidence that the ability to continuously adapt, seize opportunities and transform is the main factor in maintaining company relevance in the modern era.

### *Limitations*

As with any research, this study also has limitations that need to be considered to provide a more complete context for the results obtained.

- **Focus on One Case Study:** This research only focuses on PT XYZ as the object of study, which provides in-depth insight into the company. However, the research results may not be completely generalizable to other companies that have different organizational structures, industrial sectors, or operational scales.
- **Qualitative Approach:** This research uses qualitative methods that are descriptive and exploratory, providing in-depth understanding but not allowing quantitative analysis. As a result, the causal relationship between dynamic capabilities and sustainability cannot be measured statistically.
- **Limitations of External Data:** The data used is mostly sourced from internal company sources. Perspectives from external partners, such as customers, distributors or other parties involved in the value chain, are underrepresented, so the analysis may not include a wider range of viewpoints.
- **Temporal Scope:** This research is limited to a specific time period, so recent developments or long-term trends that may influence the research results have not been fully covered.

### *Suggestion*

For PT XYZ:

- **Increasing Digital Transformation:** PT XYZ is advised to continue to innovate in technology, such as utilizing AI (Artificial Intelligence) and machine learning to analyze consumption patterns and improve operational efficiency. This technology can provide deeper insight and support smarter decision making, and is also always updated on technological developments that can be implemented to support company performance to be more efficient in its operations and increase profits.
- **Expanding Sustainability Initiatives:** PT XYZ can expand environmentally friendly practices by using electric-based vehicles or utilizing renewable energy in operational processes. This will not only support sustainability goals but also improve the company's image in the eyes of customers and other stakeholders.
- **Sustainable HR Development:** Employee training and development, especially in the areas of technology and strategic management, must be a company priority. Continuously updated employee competency will become the main asset or main capital to face business dynamics in the future.

- **Diversification of Income Sources:** To maintain economic sustainability, PT XYZ can start considering diversifying its business into sectors that are relevant to global trends. For example, investing in selling relevant products is needed by the community with profit margins that are considered profitable and it is recommended to explore opportunities in blue ocean markets, namely new markets that have not been explored much and have a low level of competition. This strategy allows companies to create new value that did not exist before, open up growth opportunities, and avoid price wars that often occur in markets that are full of competitors (red ocean markets), but also reduces the risks caused by dependence on just one sector.
- **Collaboration with Strategic Partners:** No company can move alone on the sustainability journey. PT XYZ is advised to strengthen collaboration with strategic partners, such as raw material suppliers, distributors or research institutions. These partnerships can help companies find new ways to reduce costs, introduce innovations, or even co-create products that are more environmentally friendly. With this collaboration, PT XYZ not only increases efficiency but also strengthens its position in the market, providing long-term benefits for the company's economic sustainability.
- **Involving the Community in Sustainability:** The surrounding community is an important part of the company's success. PT XYZ can expand its CSR program with greening projects, waste management education, or supporting environmentally friendly small businesses. This not only creates a positive social impact but also strengthens the company's relationship with the surrounding community.
- **Integrate Renewable Energy:** PT XYZ can start using renewable energy such as solar panels or wind energy in its operational facilities. This step will not only reduce dependence on fossil energy but also help reduce energy costs in the long term. This is an investment that is not only good for the environment but also profitable from a business perspective.
- **Form a Special Sustainability Team:** To ensure that all sustainability initiatives are effective, PT XYZ can form a special team that focuses on this issue. This team will be responsible for designing, monitoring and evaluating sustainability programs. Additionally, they can act as a liaison between the company and external partners, ensuring that all collaborations support sustainability goals.

#### *For Further Researchers:*

- **Comparative Research:** Future studies can compare the application of dynamic capabilities across companies or sectors to gain greater insight.
- **Quantitative Approach:** Future researchers can use a quantitative approach to measure the impact of dynamic capabilities on business sustainability in a more measurable way.
- **External Perspective:** Future research can integrate external perspectives, such as the views of business partners, customers, or communities, to provide a more holistic analysis in the future.
- **For Business Practitioners:**
  - **Increase Organizational Agility:** In a world of constant change, sensing, seizing, and transforming capabilities must become part of the organizational culture.
  - **Strategic Collaboration:** Building partnerships with others, whether in technology, distribution, or marketing, can open up new opportunities while strengthening a company's competitiveness.
  - **Sustainability as a Core Strategy:** Business practitioners must make sustainability a core element of strategy, not only for regulatory compliance but also to create long-term value for all stakeholders.

With these conclusions, limitations and suggestions, it is hoped that this research can provide significant contributions, both in academic and practical contexts. It is hoped that PT XYZ can continue to develop innovation and sustainability to face future challenges, because of course the companies that will survive are the companies that are willing to continue to change, adapt to their environment and are always relevant to the situation, while researchers and other practitioners can take valuable lessons from these findings.

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## **Compliance with ethical standards**

### *Disclosure of conflict of interest*

No conflict of interest to be disclosed.

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