

Organisational Ambidexterity, Dynamic Capabilities and the sustainability of South African Fintech platforms.

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ABSTRACT

Purpose and objective: This study aimed to examine Organisational Ambidexterity and Dynamic Capabilities on developing sustainable digital platforms (specifically Fintechs) in the South African context.

Problem investigated: The concept of organisational ambidexterity ultimately aims to attain the desired objective. In the contemporary landscape, businesses increasingly rely on their ability to function efficiently while demonstrating adaptability within a dynamic and challenging business milieu. The existing body of literature on strategy and innovation management highlights the growing importance of integrating exploitative or incremental innovations and explorative or radical innovations to sustain high levels of organisational performance.

Design/methodology/approach: The research employed a qualitative methodology. The collection of data was conducted through the utilisation of semi-structured interviews, which were employed to acquire pertinent information from participants. The data gathered during the study was transcribed into written text and presented in a narrative format. The data was systematically arranged and presented in a structured fashion, employing diverse formats, including sequences, narratives, and tables. The primary objective of this arrangement was to enhance the process of comprehension and analysis.

Findings: The analysis revealed several themes, each being distinguished by its propositions; these included; early stages, outsourced capabilities, operational efficiency, effectiveness and efficacy, training, upskilling and reskilling, product development and new markets, and emerging technologies. It became evident that to ensure the success and sustainability of South African digital platforms; Fintechs should balance exploitative and explorative innovation through optimal use of dynamic capabilities.

KEYWORDS

Digital Platforms

Dynamic Capability

Exploitative innovation

Explorative innovation

Fintech

Innovation

Organisational Ambidexterity

Small and Medium Enterprises (SMEs)

Sustainable Development

Sustainability

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LIST OF ACRONYMS

DC	Dynamic Capability
DP	Digital Platforms
DT	Digital Technology
EI1	Exploitative innovation
EI2	Explorative innovation
OA	Organisational Ambidexterity
SD	Sustainable Development

CHAPTER 1. INTRODUCTION

1.1 Statement of purpose

The study aims to understand and empirically describe how Organisational Ambidexterity and Dynamic Capabilities influence sustainable digital platforms in South Africa. Dynamic capabilities are like a company's superhero powers that allow them to adapt and conquer any challenge that comes their way. Innovation is a key driver to ensure sustainability and a competitive advantage. In the Fintech world, being able to pivot on a dime is the name of the game. It is often said that people are the success of any organisation, thus dynamic capabilities are the secret sauce that keeps companies ahead of the curve and their rivals in the rear-view mirror. Fintechs must possess the ability to survive in a fiercely competitive and swiftly evolving landscape, by their ability to use exploitative innovation whilst balancing capacity to seek explorative innovation opportunities. Implementing dynamic capabilities can help fintechs survive by enabling them to cultivate the necessary abilities to adjust to the evolving environment. Sustainability requires a strategy where companies need to have the ability to solve for tomorrow's demands today (explorative innovation).

Fintechs must be ready to adjust to the industry's digital revolution. Dynamic capabilities are crucial for businesses to reposition their competitive edge and adjust to the industry's digital change.

1.2 Background to research problem (problem formulation)

The study aims to address three research knowledge gaps identified through a comprehensive literature review. These gaps are conceptualised as sub-research problems, which will be summarised and integrated into the research statement.

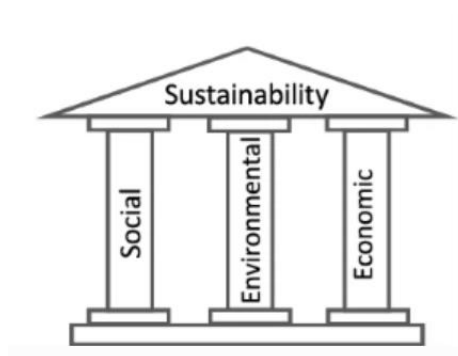
1.2.1 Sustainability

There are too many theoretical schools, each of which has come at the idea of sustainability from a different angle, for there to be any hope of providing a comprehensive assessment of the literature. However, one of the most straightforward definitions by Basiago (1999) is that sustainability is the ability to keep something, an outcome, or a process going over time. DESA-UN (2018) states that in terms of the potential of the planet's life-supporting ecosystems to regenerate, the main goal of the notion of sustainability is to maintain optimal alignment and equilibrium between society, the economy, and the environment.

Cocklin (1989) takes inspiration from Barbier and thinks of "sustainability" as a set of goals for social, economic, and environmental subsystems. People think the relationship between sustainability and other management goals like resilience and economic efficiency is based on ideas, so trade-offs happen internally and externally.

Even though there is not much written about the ideas behind "sustainability" and "sustainable development," the idea of "three pillars"—environmental, economic, and social—has become very popular, Purviset (2019). Balancing social, environmental, and financial sustainability will be achieved by Jenkins (2004).

Figure 1: Sustainability pillars



The obstacles to achieving the Sustainable Development Goals can be mitigated using technology, which can take several forms depending on the context.

Time and effort have been spent primarily on ensuring the availability of local materials and workers. The strategy should use as few resources as possible and produce as little waste because imported technology is less practical, affordable, and durable than technology developed at home.

1.2.1.1 Social sustainability

Equity, empowerment, accessibility, participation, cultural identity and institutional continuity are all included in social sustainability Daly (1992). The goal of achieving social sustainability is to provide the conditions in which every individual may, if they so choose, be able to satisfy their wants.

1.2.1.3 Economic sustainability

Lobo et al. (2015) defined economic sustainability as a system of production that satisfies present consumption levels without compromising future needs

1.2.2 Sustainable Development

Newer definitions of sustainable development (SD) provided by the World Commission on Environment and Development include: *“development that meets the needs of the present without compromising the ability of future generations to meet their own needs”* Mensah (2019, p.g 8)

The term "sustainable development" refers to growth that can be maintained indefinitely or for a specified amount of time, as defined by Dernbach (2003). Dernbach is supported by Abubakar (2017). SD is a central idea in the policies and plans for global development. Sustainable development means "development that can go on forever or for a certain amount of time."

1.2.3 Sustainable Development Goals (SDGs)

As quoted by the UN Secretary General's report, *"coordinated, decisive, and innovative policy action from the world's leading economies, and maximum financial and technical support for the poorest and most vulnerable people and countries, who will be the hardest hit"* United Nations (UN), (2020, p.g 1). Developing nations must establish new policy tools to cost-effectively fulfil their sustainability and development objectives.

In an article by Hurley (2022), Marc-Olivier Buffle, Head of thematic research and client portfolio manager at Pictet Asset Management, shares that *there is an overlap between mega-trend investment themes and the United Nations' Sustainable Development Goals, thematic investing involves identifying economic activities that are supported by multiple mega trends to identify companies that will grow faster for longer.*

1.2.4 Small and medium-sized enterprises (SMEs)

Jenkins (2004) stated that a thorough description of "how to do business," its conceptualization, and measurement are necessary for a broader understanding of sustainability. Small and medium-sized enterprises (SMEs) are of critical significance to the fulfilment of the Sustainable Development Goals (SDGs) (BlueOrchard Academy, 201 CE.)

Employment creation, innovation, poverty reduction, income equality, and sustainable industrialization are all areas where SMEs are crucial in helping emerging economies achieve the SDGs Aftab et al. (2022). Small and medium-sized businesses (SMEs) are regarded as the main engine of socioeconomic development, job creation, and economic growth and play a crucial role in the global economy. Small and medium-sized businesses (SMMEs) are fundamental to the development and growth of the economy. They are frequently referred to as influential and prolific job creators and the energy of the country's economic engine. According to Abor and Quartey (2015), the first "economic" and

"statistical" definition of a small firm was created by the Bolton Committee in 1971. In the "economic" definition by Abor and Quartey (2015), a company is considered tiny if it satisfies the following three requirements:

- It is independent and is not a component of a substantial corporation;
- It has a limited market share;
- and is controlled by the owners or part owners

The National Small Business Act, 102 of 1996's definition, is the most generally utilised framework in South Africa, by Abor & Quartey (2015)

Table 1: Definitions of SMMEs given in the National Small Business Act

Enterprise Size	Number of Employees	Annual Turnover (in South African rand)	Gross Assets, Excluding Fixed Property
Medium	Fewer than 100 to 200, depending on industry	Less than R4 million to R50 million, depending upon industry	Less than R2 million to R18 million, depending on industry
Small	Fewer than 50	Less than R2 million to R25 million, depending on industry	Less than R2 million to R4.5 million, depending on industry
Very Small	Fewer than 10 to 20, depending on industry	Less than R200 000 to R500 000, depending on industry	Less than R150 000 to R500 000, depending on Industry
Micro	Fewer than 5	Less than R150 000	Less than R100 000

Source: Falkena *et al.* (2001)

Technology trends reported by Forbes noted that the quantum of (global) technological development that transpired between March and September 2020 surpassed that of the past decade.

Technology and digitisation have become central ingredients of any business growth strategy. Technology and digitisation should be embraced to improve business processes, i.e. improving human decision-making and rethinking the workplace and customer experience.

Intelligent machines are a hallmark of the Fourth Industrial Revolution, enabling further human-machine interaction to increase productivity, Jegede (2021)

According to its 1996 and 2019 White Papers on Science and Technology, South Africa has a linear innovation model.

According to Shaikh and Polytechnic (2021), the world may be advancing toward technology 5.0, yet SMEs struggled to integrate technology 2.0. The COVID-19 epidemic has demonstrated the value of technology for productive remote work Kumar and Kalse (2021). A handful of scholars have proposed that SMMEs' adoption of new technologies can be a key to their success and the application of digital technologies to assist SMMEs to perform better. The effects of COVID-19 may be countered with the use of digital technologies. To overcome the scale disadvantage they face compared to bigger businesses, technology gives SMMEs a chance to expand their reach and efficiency at reduced prices Kalidas et al. (2020). Shaikh and Polytechnic (2021) also share that SMME business models can be integrated with these new digital technologies and that innovation will drive their business models. A primary advantage of SMMEs is their size, allowing for flexibility, quick decisions making, delivering often and experimenting. However, this is played off against limited resources. According to researchers, using social media platforms not only promotes SMME growth. Kumar and Ayedee (2018), it also assists them in achieving their sustainability goals Kumar and Aggarwal (2018) Kumar and Ayedee (2019)

Technological challenges identified by scholars dating more than a decade ago include the absence of sufficient infrastructure, i.e., storage capacity, available power, and poor bandwidth quality present the most significant obstacle in addition to slow adoption McCole and Ramsey (2006). SMMEs and big companies experience "the digital divide" or "digital exclusion" as a result of SMMEs taking a less practical approach to adopting Information and Communication Technologies (ICT) than big businesses Arendt (2008).

Papadopoulos et al. (2020) advise managers to explore how DT impacts SMMEs' working methods and the ramifications for user and data protection. Entrepreneurs should seek lessons from SMMEs during COVID-19 through DT.

According to Adclick Africa's Mahoney (2022) "Assessment of South Africa's SME Ecosystem," 39% of SMEs have one employee, 47% employ between one and five employees, and 39% employ more than five individuals. From the abovementioned, it is evident that the constraint of human resources may hinder or stagnate the growth of SMMEs in South Africa. Technology has been a critical success factor underpinning the exponential growth of modern-day organisations such as Uber. Furthermore, it has enabled 'business without borders. More than 98% of enterprises in South Africa are SMEs, and between 50 and 60% of the workforce, working in all sectors, are employed by them. SMEs are also responsible for approximately a quarter of job creation in the private sector, Mahoney (2022).

Figure 2: SMME economic contribution

	 Majority of businesses	 Create private sector jobs	 Meaningful share of the GDP	 Enable inclusive growth
EU	99.8%	68%	57%	30%
G2	99%	65%	46%	25%
SA	98.5%	25.8%	39%	38%
	SMEs' share of total no. of businesses	SMEs' share of private sector workforce	SMEs' share of national GDP	SMEs owned by women

Source: Eurostat, Individual SME Authorities, Institute of Regional & Global Studies; European Commission - SME Performance Review (2015-16), IMF GDP Rankings (2015); Annual report on European SMEs; Small Business Institute South Africa

Utilizing technology to attract new clients is one approach to the numerous issues SMMEs face. By using digital and current technology, SMMEs may scale up and create efficiency to lower costs, allowing them to concentrate on increasing their

competitiveness. By building team skills and capacities, SMEs could also create the additional ability for expansion and strategy to ensure sustainability. Leadership will be equipped to distribute the workload and work more productively; as a result, Mahoney (2022).

As shared in the quarter three 2020 SMME update by The Small Enterprise Development Agency (2021), the SMME sector accounted for most of the country's job losses. Given the new reality that everyone faces due to COVID-19, South Africa's ICT sector will continue to function as the engine of the country's economic growth. This significantly impacts the expansion and development of the SMME sector. Internet connection in SA households increased from 27,5% in 2010 to 64,7% in 2019, and it is expected to continue to rise with the release, offering, and registration of high-demand radio spectrum (HDS) The Small Enterprise Development Agency (2021).

The global pandemic has accelerated technological advancement and business digitisation. According to Forbes' analysis of technology trends, the extent of (global) technical advancement between March 2020 and September 2020 surpassed that of the previous decade. Technology and digitization are now critical elements of any strategy for business expansion. To improve business processes, such as strategic decision-making, the workforce, and customer satisfaction, technology and digitization should be embraced, The Small Enterprise Development Agency (2021)

1.2.5 Digital Platforms

Digital platforms are a vital part of the business models of the world's biggest companies. They are changing positions in job creation, productivity, and activities that lead to new ideas. Due to the increased availability of devices and internet connectivity in developing countries, digital platforms are becoming increasingly essential actors in the global South. New platform companies are also being founded in these countries Bonina et al.(2021).

According to (Constantinides, P et al., 2018), digital platforms can be considered a collection of digital resources, such as services or content, that make it easier for participants to engage with one another. Innovation platforms act as *“foundations upon which other firms can build complementary products, services or technologies”* Gawer, A. (Ed.), (2009, p.54). According to Bonina et al. (2021), Digital platforms can provide social and economic benefits for development on a global scale, but it is not well-known or researched how this occurs.

1.3 Research problem

The study aimed to establish how Organisational Ambidexterity and Dynamic Capabilities influence sustainable digital platforms in South Africa.

The research objectives were designed to address the complexities of organisational ambidexterity, ultimately leading to achieving the goal.

Today more than ever, businesses depend on their capacity to operate effectively while adapting to the volatile, demanding, and ever-changing business environment, Weaver and Blakey (2022) Hölzl (2022). Present literature on strategy and innovation management emphasises the increasing significance of integrating exploitative (i.e., incremental) and explorative (i.e., radical) innovations to maintain elevated levels of organisational performance, Wong et al. (2017), Xie and Gao (2018) Röd (2019) and Xie et al., (2020)

Literature suggests two primary types of ambidexterity: exploitative and explorative. According to Oduro et al. (2022), exploitative ambidexterity enables organisations to effectively address disruptions and changes by making necessary adjustments or adaptations to their current competencies and business demands. On the other hand, explorative ambidexterity enables firms to respond to market changes by creating innovative products and services and exploring new markets. Long-term practises that encourage risk-taking and creativity have been shown to help companies with a dual focus on exploration

and exploitation innovation create an organisational context that is conducive to innovation ambidexterity in a study conducted by Brion et al. (2010)

1.3.1 Specific Research Objective

The study's specific research objectives were as follows:

- To determine how organizational ambidexterity enables innovation in South African digital platforms
- To investigate how exploitative innovation influences the sustainability of South African digital platforms
- To analyse how explorative innovation influences the sustainability of South African digital platforms

1.4 Research question

The study was motivated by the following **primary research question**:

How does Organisational Ambidexterity influence the sustainability of South African digital platforms?

The research has multiple dimensions and aligns with the research problem, with the existing body of literature recognising these intricacies.

1.5 Rationale

Researchers agree that more investigation into what drives innovation ambidexterity in small and medium-sized enterprises (SMEs) is warranted Soto-Acosta et al. (2018)

Small and medium-sized enterprises (SMEs) are likely to have more trouble achieving ambidexterity because they have less management experience, less structured procedures, and fewer formal systems to coordinate activities that are opposites.

The existing body of research provides substantial theoretical reasoning concerning the potential of organisations' information technology (IT) capability to drive significant improvements in business processes.

Organizations that want to experience consistent innovation and steady growth over the long term should balance exploring new opportunities and maximizing existing ones Priyanka et al. (2022). For instance, despite having a 40% market share in 2007, Nokia sold its cell business to Microsoft due to that company's ignorance of exploration Priyanka et al.(2022).

According to the existing research, essential resources and capabilities, including information technology, are necessary for SMEs to achieve innovation ambidexterity Soto-Acosta, P et al., (2018)

Orelj & Torfason (2022) explain that a single business cannot rely solely on its resources and expect to achieve sustained commercial success. He added that dynamic capabilities refer to a company's ability to respond to and adapt to quickly changing environments. This differs from the more traditional static capabilities used to do tasks well.

Enterprises are under a lot of pressure from different stakeholders to pursue growth that is good for the economy, the environment, and society. This has become a strategic business opportunity for companies to meet the needs of the ecological market. In this situation, advancing innovation in exploration and exploitation has become a vital alternative if we want to change how the environment and society grow Aftab, J et al., (2022). A strategic direction that requires simultaneous exploration and exploitation of new opportunities is vital to the company's ability to endure in the long run. In the absence of such a plan, businesses will continue to pursue the exploitation of resources (Priyanka et al., 2022)

Tarba. S et al. (2020) explain how IBM successfully switched from hardware to software to services. Xerox required such a dynamic capability to detect disruptive risks, grab new opportunities, and adjust its operations.

Management's level of expertise determines whether a project is classified as exploration or exploitation, with exploration referring to shorter-term endeavours and exploitation to longer-term endeavours Priyanka et al. (2022). When conducting exploration, there is always a degree of uncertainty, which drives a company to direct its resources toward exploitation. As a result, if a company's strategy does not expressly call for exploration, the company will always direct its resources toward achieving short-term objectives O'Reilly & Tushman (2008)

1.6 Significance of study

By adhering to a positivist mindset and using empirical evidence to provide insights into the outcomes of the research objectives, the purpose of the study is to contribute methodically.

The Department of Small Business Development (DSBD) can lead in developing a policy and regulatory environment for small and medium-sized enterprises (SMMEs) that encourages expansion, innovation, job creation, and individual empowerment. The research hopes to improve governments' ability to self-assess policy implementation and compare the results with those of other countries. It also aims to help the government make better programmes through SMME and digital innovation research and use it to set up effective learning systems and practices.

To encourage organisational innovation, management should exude a transformative ethos. Management may direct an organization on the right path by making choices that promote alignment and flexibility, which is a step toward creating an Organisational Ambidexterity (OA). For an organisation to become ambidextrous, the culture of the organisation should foster creative problem-solving and innovation. The goal is to help digital platforms gain access to technology, resources, and relevant skill transfers.

Sustainability in the digital economy may allow researchers to explore and investigate how ambidextrous businesses respond to disruptive new business models and develop technology better than others, Tarba et al. (2020)

1.7 Delimitations of the study

These parameters will be applied to the proposed study:

- I. This qualitative research focused on the formal South African digital platforms, which span financial services
- II. The focus was limited to South African platforms businesses owning and operating as Fintechs
- III. Employees, suppliers and customers of Fintechs were excluded from the study because the researcher believes this overlaps with another exploratory research study on how innovation can improve the employee, customer and service experience.
- IV. The intended research instrument and all interviews were to be completed in English. Therefore, only English-proficient users are permitted to participate in the interviews.

1.8 Definition of terms

Organisational Ambidexterity: According to Aftabet al. (2022), organisational ambidexterity (OA) (March 1991) is the capacity to engage in both exploitative and explorative innovation, strengthens the entrepreneurial attitude and improves performance. Mu et al. (2020) state that ambidexterity significantly enhances organisations' competitive edge, tiny and medium enterprises (SMEs).

An organisation's ability to simultaneously engage in exploitative and exploratory activities is essential in ensuring a lasting advantage in the competitive market. The existing body of empirical evidence strongly supports the notion that organisational ambidexterity is associated with enhanced short-term

performance and increased longevity in highly competitive and rapidly changing environments.

Innovation: According to Drucker (1993, p.173), “*Innovation is the application of knowledge to produce new knowledge. It requires systematic efforts and a high degree of organization.*”

Innovation refers to the methodical approach of creating and promoting new services and goods intended to be supported by consumers. According to Tidd& Bessant (2015), innovation extends beyond the mere expansion of markets, as it can also present fresh approaches to catering to pre-existing and fully developed ones. There is widespread consensus across the globe and business management literature that knowledge and innovation are the sources of competitive power essential for successful businesses Nonaka(1991); Nonaka& Takeuchi(1995); Fruin (1997); Thurow (1997); Stewart (1997); Sveiby (1997).

Ambidextrous Innovation: According to Xie and Wang (2021), Ambidextrous innovation is defined as the ability to balance exploratory (discovery-led) and exploitative (refinement-led) innovation activities, which requires the careful allocation of firm resources. The open innovation ecosystems of a firm and its partners are intricately intertwined with both exploratory and exploitative innovations Beltagui et al. (2020); Xie and Wang (2020); Luo (2018); Mei (2019); Rohrbeck et al. (2009).

Innovation niches, defined by how different organisations use their resources and how much they can produce, are often seen as where business innovations start, Baum and Singh (1994); Lopolito et al. (2011).

Digital Innovation: Describes applying digital solutions to traditional business issues. Mostaghel et al. (2022) state that applying digital technologies to transform business models creates new channels for monetization and value creation within industrial ecosystems. This is also supported by Hinings and Gegenhuber (2018), who relate to the wide range of digital technologies innovations.

Digital innovation initiatives encompass a range of endeavours that involve developing and implementing new technological solutions. The process of formulating an innovative technological approach within an established business framework may include the following:

- The act of selecting and integrating new software or platforms.
- The decision to transition from analogue to digital processes.

In light of the increasingly digital nature of the global marketplace, businesses must adapt and remain competitive.

Exploitative Innovation: Enhancing and expanding current skills, methodologies, and frameworks, utilising available information to obtain an identified outcome. The concept of exploitation is centred on the objective of achieving maximum efficiency and control Helfat et al. (2007). Messeni Petruzzelli (2019) describes "exploitation" as acquiring knowledge through refining, selecting, and reusing pre-existing routines built upon established knowledge bases.

Explorative Innovation: The concept of 'exploratory innovation' pertains to the generation of new skills and knowledge that expand upon the pre-existing knowledge base of the organisation, De Silva et al.(2022). One can develop new products or services and emerging markets to influence and respond to underlying environmental patterns. This pertains to providing inventive designs and imaginative approaches to meet the demands of customers and the market—the exploration of emerging options through experimenting. According to the findings that Jansen et al. (2006) gathered, pursuing exploratory innovation is more successful in more dynamic contexts, whereas pursuing exploitative innovation is more helpful to a unit's financial performance in more competitive environments.

Dynamic Capabilities: The capacity of the organisation to incorporate, construct, and adapt internal and external capabilities in response to swiftly evolving circumstances—the organisational capacity to intentionally modify an

organization's pool of resources. Prior studies have established the significance of dynamic capabilities (DCs) in facilitating ambidexterity, which refers to a firm's ability to effectively balance exploration and exploitation activities through the capacity to identify and capitalise on opportunities while also making appropriate resource adjustments, Wilden et al. (2018). The concept of Dynamic Capabilities is rooted in the organisational and managerial abilities to recognise emerging trends in the environment and devise effective business models that can effectively respond to new challenges and opportunities Farzaneh et al. (2022)

Fintech: According to Mention (2019), Fintech is a general term for new financial services made possible by technology and the business models that go with them. Any technological advancement firms make to create better, distribute, and consume financial services can be categorised as "Fintech." Advanced technology companies can change how financial services are delivered and help create new business models, apps, and products that can be used directly in delivering financial services. The term FinTech originates from the combination of the words "financial" and "technology" and denotes the specific markets in which these enterprises operate, Eickhoff et al.2017).

While some researchers have attempted to classify fintech along multiple criteria (including the degree of innovation, the object of innovation, and the breadth of innovation), others are working to settle on a single, unified definition. Furthermore, the academic community is still divided on whether fintech is best understood as a product, a business model, or a vehicle to disrupt the market and introduce competition(Mention, A, 2019)

1.9 Assumptions

This study took into account the following assumptions during its execution:

- All interviewees and participants can respond to the predetermined questions.
- Participants answered all questions honestly with bias, based on their experience, exposure, sector and availability of resources.

- Participants voluntarily shared pertinent information, company performance, and financials. This assumption is based on the participants' knowledge that the data would only be utilised for scholarly reasons and would not jeopardise their businesses.
- Participants support the research objectives, and the respective industry may employ essential conclusions and recommendations.
- Due to limited financial resources, disadvantaged backgrounds, and lack of experience, some participants may have limited exposure and access to technology, thus limiting comprehensive insights.

1.10 Chapter Outline

The research will be broken down into six sections.

1) The study's introductory section and problem statement; 2) theoretical underpinnings and literature reviews; 3) Research techniques; 4) Presentation, evaluation, and research results; 5) Interpretation of research, and 6) Research summary and suggestions

The chapter summary is presented in the following section.

The subsequent chapter will examine a survey of scholarly research and the theoretical foundations that explain the theories and how they apply to the study. The following theories will be detailed; 1) Organisational Ambidexterity, 2) Exploitative Innovation, 3) Explorative Innovation and 4) Dynamics Capabilities will be discussed in the next chapter.

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CHAPTER 2. LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1 Introduction

The previous chapter detailed the introduction and purpose of the study, the background of the research problem, how the earlier research revealed gaps in theoretical and practical knowledge, the objectives that the research problem addressed, and the research questions that motivated the study.

This chapter provides a detailed analysis of the previous research conducted on the subject matter and discusses the topic's fundamental ideas. This chapter reviews the literature and the theoretical foundations for the research. Each theory will be explained, after which it will be explained why it was chosen for this study. The arguable aspects of the study are examined, and its development is comprehensively detailed. The first part of this section describes ambidexterity and then moves on to an analysis of the characteristics of organisational ambidexterity—understanding the literature of the two fundamental building blocks, exploitative and exploratory innovation. To conclude the chapter, we review the dynamic capacities theory, which is embedded in the concept of Organizational Ambidexterity.

2.2 Ambidexterity

Per the dictionary definition, *ambidexterity* is the capacity to utilise both hands with equal proficiency. Academics in the field of organisation theory define "organisational ambidexterity" as the capability of the organization to simultaneously prioritise contradictory goals Soto-Acosta et al., (2018)

Organizational scholars agree that ambidexterity should be seen in terms of the competing needs for exploration and exploitation Raisch and Birkinshaw (2008) Chang et al., (2011) Chang (2012). Most studies on ambidexterity break it down

into exploring and taking advantage of opportunities. Finding a medium between the two requires careful management of these competing priorities, which is a significant part of what it means to be ambidextrous Soto-Acosta et al. (2018). According to Mu et al. (2020), the pursuit of exploitative activities (that is, activities that are oriented on the exploitation of existing capabilities and their refinement, efficiency, and implementation) and explorative activities concurrently – and equally well – is the definition of ambidexterity. Ambidexterity is characterised as simultaneously pursuing both types of activities successfully.

Exploitative and explorative innovation is essential in innovation-focused organisational management literature. Ambidextrous digital innovation can be exploitative or explorative. According to recent studies, companies can foster both types of innovation at once if they have the proper organisational structure in place Soto-Acosta et al.(2018) O'Reilly and Tushman (2008)

Research has shown that SMEs have a more challenging time being ambidextrous than their larger counterparts; however, most of these studies have been performed by large corporations Soto-Acosta et al.(2018). Researchers agree that what they see in large companies cannot be extrapolated to small companies.

2.3 Organisational Ambidexterity

Over the last few decades, ambidexterity has become a more prominent topic in the organisational literature, with the primary focus initially being on the organisational level. The term "organisational ambidexterity" (OA) comes from the management field. It refers to a company's capacity to succeed in exploring future possibilities for long-term advantages and exploiting prospects currently available Priyanka et al. (2022). The requirement to cultivate ambidexterity on an individual level is more pressing in small and medium-sized businesses than in more prominent organisations. Small and medium-sized businesses, in contrast to giant corporations, have fewer employees Mu et al., (2020). The growth of

ambidextrous activities is supported by SMEs' informal, flexible structures Mu, T et al., (2020). Organizational ambidexterity (OA), or the capacity to engage in exploitative and explorative innovation, fosters the entrepreneurial attitude and improves performance Aftab et al. (2022). It is unknown whether exploration and exploitation must always coincide or whether workers frequently rotate between the two activities Mu et al. (2020)

Mu et al. (2020) also noted that larger firms could handle exploration and exploitation simultaneously through structural separation, while SMEs, especially individuals, find it difficult. According to the literature, exploitation and explorative innovation must be balanced because doing so results in organisational ambidexterity. Organisational researchers have long cited ambidexterity as a significant factor in long-term firm performance Soto-Acosta, P et al., (2018)

2.4 Exploitative innovation

Exploitative innovation modifies and expands currently available digital technologies. Exploitation enables organizations to refine and improve their existing knowledge, practices, and skills to ensure their business processes are sustainable Jenkins (2004). In advanced and established technologies, when efficiency, improvement, and incremental innovation are crucial, exploitation is essential for success Priyanka et al.(2022).

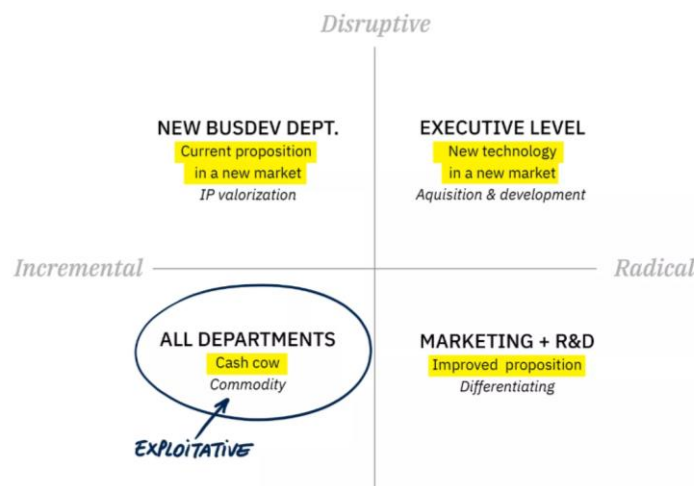
Exploratory and exploitative innovation, according to researchers like Soto-Acosta et al.(2018), is dependent not only on the growth of an organization's internal capabilities like IT and knowledge management, but also on its agility in responding to external changes like those brought about by advances in technology, shifts in consumer tastes, and shifts in product demand.

2.5 Explorative innovation

While exploratory innovations are built on research, discovery, and experimentation, exploratory innovations include activities that are focused on

selection, improvement, and efficiency Soto-Acosta et al.(2018). Competition in emerging technologies necessitates exploration because of the need to try new things and be open to change Priyanka et al.(2022)

Figure 3: Innovation Matrix



The innovation matrix illustrates the technological axis (horizontal) divide that advances into those that are gradual and those that are radical. Technology that is broadly understood within the business is necessary for incremental breakthroughs. New technologies supported by outside knowledge and expertise are necessary for radical changes. A continuum of innovations that either supports the current market or encourage disruptive inventions that encroach into new markets is represented by the market axis (vertical).

2.6 Theory of Dynamic Capability

In today's fast-paced, highly competitive business world, focusing solely on one area is not an option Priyanka et al., (2022). Dynamic capability is a company's ability to meet its stakeholders' rapidly changing, long-term needs by intentionally changing its functional capabilities to pursue economic, environmental, and social core competencies simultaneously, Wojcik, P et al.,

(2022). Wojcik et al. (2022) research suggests that dynamic capability for social responsibility (i.e., adapting in an uncertain setting) is built on the interaction between unpredictable (ad-hoc interventions, experimenting, iterative learning) and stable (institutional routines) mechanisms. According to Helfat et al. (2007), firms with dynamic capabilities can find opportunities and threats and change their organisational resources and skills based on what they find. This makes it easier for the firm to find a strategic fit between its internal structures and its external environment. Orelj and Torfason (2022) explain how the later improved definition of dynamic capability stresses the organizing ability that is essential and necessary for coordinating actions and resources in open innovation while also referring to sensing, seizing, and changing dynamic capabilities. Farzaneh et al. (2022) ascertained that Dynamic Capabilities help businesses gain a competitive edge by figuring out the best time to adopt and learning from experience and putting best practises into place across the whole business.

Research has indicated that organisations that do not possess dynamic capabilities cannot effectively respond to changes in their environment, resulting in poor innovation outcomes, Khattab (2017).

Dynamic capabilities can be classified into three categories:

- 1) *sensing* the ability to identify external opportunities and how to explore them
- 2) *seizing* ensures that resources are assigned to exploit these opportunities
- 3) *transforming* referring to continuous improvement. Synonymously this can also be interpreted as incremental innovation

Fintechs are characterised by their inherently small sizes thus rendering to their ability to be fast, flexible and agile.

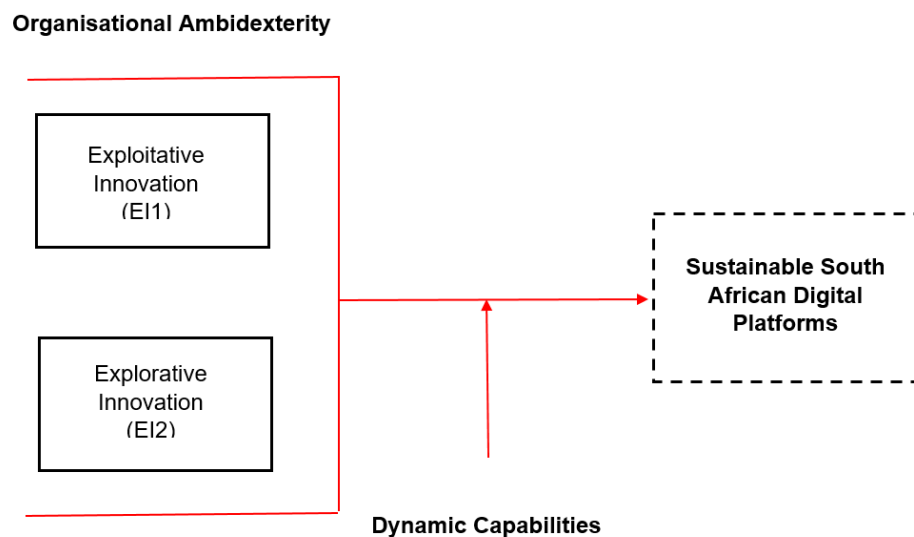
Dynamic capabilities are crucial to the sustainability of Fintechs, based on the ability to quickly adapt and maintain their competitive advantage; given the rate and pace of change in the recent macro-environment.

2.7 CONCEPTUAL RESEARCH FRAMEWORK

The conceptual research framework developed based on the research objectives is discussed, along with identifying and clarifying key concepts, their interrelationships, and how they emerge within the adoption social process.

The framework sets and defines the research's emphasis, theoretical concerns, and features by constructing orderly linkages between observations and facts, as seen in the depiction below.

Figure 4: Conceptual Research Framework



2.7.1 Conceptual Framework

A brief overview of the conceptual framework rationale:

Strategic management theories like Organisational Ambidexterity and Dynamic Capabilities work well together. A fork and knife are a good analogy for a complementary pair because they each have their distinct function, but when used together, they accomplish more and provide a more satisfying experience.

Dynamic capabilities and innovation (through the perspective of OA) are different from standard capabilities, which may be needed to work well right now but may not be enough to keep doing well in the future.

Similarly, exploratory and exploitative innovation complement each other, as exploitative innovation boosts explorative benefits. Apple's iPhone is an example of explorative innovation, and all later iPhone models are examples of exploitative innovation.

2.7.2 *Organisational Ambidexterity*

Organizational ambidexterity can differentiate and help organisations gain a competitive edge. A business should continually transform and adapt to the changing world, as business models are not fixed; and are dissolving quicker than ever before.

2.7.3 *Exploitative Innovation*

Exploitative innovation develops from an organization's existing resources and enhances them. Most organisations use this incremental innovation primarily focused on improvement and efficiency.

2.7.4 *Exploratory Innovation*

Dynamic environments foster productive exploratory innovation. Exploration, in ordinary language, denotes a specific course of action to uncover an unidentified entity. This overall perspective is founded upon a positivistic premise that presupposes the existence of a reality or uncharted domain yet to be uncovered.

2.7.5 *Dynamic Capabilities*

Dynamic Capabilities show how quickly and how much the firm's resources and skills can be aligned and re-aligned to take advantage of business opportunities

and meet business needs. An organisation with solid dynamic capabilities can produce unpredicted returns. Dynamic capabilities help organisations adapt and modify resources and capabilities if the environment changes.

2.8 Research Propositions

A proposition is a statement about one of these relationships. It is a provisional and speculative statement about the relationship between two or more ideas. It is not enough to look for explanations of a particular phenomenon to figure out its key concepts and conceptual elements. The research must also find and describe patterns of how these conceptual elements are related. We call these sets of relationships "propositions" Anon (2021). The study's propositions are:

Proposition 1: The inability of a digital platform to be innovative will result in it being Ambisinistrous (poor performance on both fronts)

Proposition 2: Exploitative innovation will ensure the current sustainability of South African digital platforms

Proposition 3: Explorative innovation will ensure the future sustainability of South African digital platforms

This "declarative proposition" does not have to be accurate, but it must be testable with data to decide if it is true or false (Anon, 2021). The conceptual research framework has a dashed line around the outcome to show that no empirical research has been done. After showing and analysing empirical evidence during the interpretation of findings, the idea can be put to the test.

2.9 Summary of the Chapter

The second chapter discussed the theoretical frameworks that laid the research's foundation. The study was guided by a conceptual research framework encompassing three theoretical lenses: organisational ambidexterity, exploitative

and explorative innovation, and dynamic capabilities. These lenses served as a basis for data collection and empirical analysis.

CHAPTER 3. RESEARCH METHODOLOGY

The study's fundamental theories were covered in the paragraph before. The theoretical lenses guiding this study's data gathering and empirical analysis were described as Exploitative Innovation, Explorative Innovation, and Dynamic Capabilities.

The **primary research question** is:

How does Organisational Ambidexterity influence the sustainability of South African digital platforms?

3.1 Research approach

The study used a qualitative research method. This method enabled using more than one or all available tools as a guide and possibly helped develop designs while comparing and figuring out what the results meant. This method was deemed suitable for this research because it is more about understanding than explaining. This research was based on a naturalistic view and an interpretive understanding of human experience. This approach was also preferential and focused on more than one paradigm.

This investigation employed qualitative research methodologies to address the research topics and interpretative philosophy.

According to Bharadwaj (2000), according to the interpretive orientation, each potential reality is relative to a specific context or frame of reference. The required guarantee for the theories is provided by the social agreements among researchers over the interpretations of the theories and regarding the empirical observations. This approach of theory validation transforms science into a collaborative effort controlled by cooperating researchers.

Creswell (2013) said that many qualitative methodologies depend on the participants' "life experiences" to make sense of their study analyses. Thomas

(2006) asserted that “The primary purpose of the inductive approach is to allow research findings to emerge from the frequent, dominant, or significant themes inherent in raw data, without the restraints imposed by structured methodologies” (p. 238)

The best thing Interpretative Phenomenological Analysis (IPA) can do as a qualitative research methodology is to respect its spirit and awareness of its need to draw in more knowledge and broaden its knowledge base, Alase (2017).

3.2 Research design

Ontological and epistemological assumptions shaped the methodological justifications for the research design. The ontology responds to the query, "What is reality? or what is purported to exist? Fundamentally since every assumption impacts how scientific research is conducted. The investigation of knowledge is referred to as epistemology. It offers solutions to the problem of "how can I know reality? This is crucial because any presumptions or assumptions about what is known could impact what the study was intended to discover scientifically.

The research entailed in-depth insights from participants, based on their respective experiences. Although participants can be grouped into Fintech's, each predominately operated in different sections of financial services, e.g. mobile money, credit granting, and payment aggregator.

Participants may be deemed to be eating from the same pot (Technology within Financial services) however each experiencing a different taste (unique experience)

The assumption was that the insights from participants would be vastly different based on the section of the industry (Financial Services) the participant was playing, thus producing enriched and varying results.

1.	Research Philosophy	Interpretive
2.	Research approach	Inductive
3.	Research strategy	Case Study
4.	Unit of analysis	South African digital platform (Fintechs)
5.	Population	Ten dependant on the saturation point
6.	Sample	Entrepreneurs/ directors/ industry experts within the Fintech industry
7.	Time Horizon	Cross-sectional
8.	Data Collection Methods	Semi-structured online (MS Teams) interviews
9.	Data Analysis	Thematic analysis

3.3 Data collection methods

Interviews with the participants were scheduled via online one-on-one meetings. Participants received a letter detailing the ethics approval, the background of the study, and how the evidence and feedback they contribute will be used. Participants' identities remain confidential.

The method used was semi-structured, recorded interviews.

A week before each participant's interview, interviews were scheduled, and participants were emailed the interview questions—schedules for interviews helped to improve the data's veracity and credibility.

Data analysis and the development or comparison of emergent themes by the structured interview, through a list of prepared questions, will assist in the data analysis and interpretation.

3.4 Population and sample

3.4.1 *Population*

The participants represented the South African digital platform population operating businesses that fall into the Fintech definition and criteria. The business should have been in operation for no less than a year, as this will enrich the collective views, experiences, and in-depth insights from different viewpoints to explore feasible solutions to address the research problem. A suitable slot was scheduled for the interview to be conducted remotely using Microsoft Teams. Participants signed a consent form before the interview.

3.4.2 *Sample and sampling method*

The participants for this study were chosen through the use of purposeful sampling. This method is frequently applied to qualitative research. It entails choosing research subjects by the requirements of the study; subjects are chosen based on who provides rich information suitable for in-depth research Patton, (1980). Subjective views and opinions will be provided and supported judgement in this method. Participants will be chosen on purpose to speak to the different facets of the study.

3.4.3 *Sampling method*

A purposeful (biased) sampling strategy was considered the best for this research. This method necessitates the researcher's subjective input and informed judgement. Participants were chosen on purpose to speak to the different facets of the research aims. Since the nature of this study calls for in-depth comprehension, a non-probability sample technique was the most appropriate. This notion of saturation tends to revolve around the question of how

much data is needed before nothing new is evident, or what Sandelowski (2008)(p. 875) calls "informational redundancy" (e.g. Francis et al. (2010); Guest et al. (2006). This is commonly measured in terms of the number of interviews. Similar to what was said before, Grady (1998: p. 26) describes the point at which data saturation occurs as the time when *"New data tend to be redundant of data already collected. In interviews, when the researcher hears the same comments repeatedly, data saturation is being reached. It is then time to stop collecting information and to start analysing what has been collected."*

Thus, ten interviews were deemed sufficient for this investigation. Participants included six Fintech owners/ directors, one former Fintech Product Manager, one SME Fintech Consultant, one former Fintech Director and a founding member of the Fintech Association of South African.

The notion of the saturation point was described in the first book about grounded theory, written by Glaser and Strauss (1967) (p. 61), who wrote: *"The criterion for judging when to stop sampling the different groups pertinent to a category is the category's theoretical saturation. Saturation means that no additional data are being found whereby the sociologist can develop properties of the category. As he sees similar instances over and over again, the researcher becomes empirically confident that a category is saturated. He goes out of his way to look for groups that stretch diversity of data as far as possible, just to make certain that saturation is based on the widest possible range of data on the category."*

Saunders et al. (2018) unpacked four theories of saturation, which vary in terms of how much deductive or inductive logic can be used and how much emphasis is placed on gathering, analysing, and theorising data.

The theory deemed more applicable to the study is the second model, which employs a comparable methodology. However, saturation centres on recognising new codes or themes and is predicated on the number of such codes or themes instead of the comprehensiveness of pre-existing theoretical categories. The phenomenon above can be referred to as inductive thematic saturation. The

model under consideration exhibits a limited scope of saturation, primarily at the level of analysis, with its impact on data collection being implied at best.

The second model employs a comparable methodology; however, saturation centres on recognising new codes or themes and is predicated on the number of such codes or themes instead of the comprehensiveness of pre-existing theoretical categories. The phenomenon above can be referred to as inductive thematic saturation. The model under consideration exhibits a limited scope of saturation, primarily at the level of analysis, with its impact on data collection being implied at best.

It only applies to South African digital platforms that choose people from various levels and positions with a good mix of relevant insights and expertise. As a result, sampling techniques complemented the primarily purposive sampling strategy.

3.5 The research instrument

The research instrument comprised open-ended questions categorised into themes intended to address the research objectives.

- I. Organisational Ambidexterity
- II. Exploitative Innovation
- III. Explorative Innovation

The themes enabled the development of thematic insights. One-on-one interviews were scheduled via online channels (MS Teams, Google Meet, or Zoom) with the research instrument attached to the invite.

3.6 Procedure for data collection

Written interview questions were part of an interview protocol to elicit in-depth knowledge from participants. Open-ended questions were non-directive, giving participants autonomy over the discussion's pace and subject matter. Additionally, when the information provided by the participants needed more clarity, a more directive style of the interview was adopted. Finally, a transcription app (Otter AI) was entered into the MS Teams software to capture the interview dialogue with handwritten notes.

3.7 Data analysis strategies and interpretation

Merriam (2008) and Marshall and Rossman (1989) argue that data collection, transcription, and analysis must coincide in qualitative research. They say qualitative data analysis involves identifying things, people, and events according to their defining characteristics. Husserlian phenomenology is used in the Colaizzi (1978) technique of phenomenology to describe the fundamental structure in its analysis. Gatrell et al. (1996) used Colaizzi's method to perform a phenomenological study to better understand the characteristics of nurses' empathy. The data analysis approach proposed by Colaizzi is adequate for this study.

- Every participant interview recording will be replayed and listened to. The obtained material will be transcribed from the interviews to obtain an overall understanding of the viewpoints provided.
- Subsequently, significant statements and phrases relating to the topic under examination will be extracted from each transcript.
- Meanings will then be derived from significant statements. Then, the definitions will be categorised into themes, eventually developing into topic clusters and these key categories. Lastly, a colour-coded approach will be utilised to identify

particular themes/categories for preliminary analysis. The following operational stages will be used per the Colaizzi analysis:

- All recordings of participant interviews were replayed and listened to. The collected data was transcribed from the interviews to gain an overall understanding of the provided thoughts.
- Then, relevant sentences and phrases about the phenomenon under investigation were retrieved from each transcript.
- Meanings were derived from the significant assertions. Then, the definitions were organised into themes, eventually becoming topic clusters and core categories. Finally, a colour-coded approach was utilised to emphasise particular themes/categories to conduct an initial analysis.
- A comprehensive and complete description of the lived experiences from which a vital knowledge structure emerged.
- Participants' replies were asked for rigour to compare the descriptive results with their actual experiences.
- Different data sources were triangulated to develop a consistent argument for the topics. This description will be offered in the section on findings and anticipated outcomes.

3.8 Quality Assurance

The constraints of purposeful sampling were taken into account when analysing the results. Furthermore, the interviewing procedure was assessed in line with the phenomenological method. Following the ethics policy, questions useless for eliciting participants' expertise will be eliminated.

3.8.1 *Transferability*

The goal is for the reader to decide if the researcher's findings would work in their setting Korstjens and Moser (2017b).

Methods for ensuring transferability:

- Features, positions, and profiles of the selected participants, as well as their respective organisations;
- The purpose of this study (the exploratory nature),
- An example of approach and sample size (including the period of review),
- The interview method, procedure, and themes.

Transferability was achieved through the approach used to select participants: using a public LinkedIn group (FinTech Association of South African (FINASA)).

- Participants were identified based on
- Fintech feature/ profiling
- Commentary by industry experts
- Posts

Once participants were identified, they were contacted via LinkedIn messages to find out if they would have interested to partake in this study.

If they were interested, they provided their emails and contact details where the purpose of the study was explained and in some cases, the research instrument was requested prior to the interview.

3.8.2 Credibility

The researcher must ensure that the participants are predicted correctly and represented as "credibility is related with the feature of truth-value." The following measures will be used in this study Korstjens and Moser (2017a):

- Participants were free to express any questions they may feel uncomfortable answering.
- A crucial component of reliability is the justification for the sample size. The goal of credibility and transferability will be achieved by doing this. Elo et al. (2014)
- The following was cautiously monitored:

- Lengthy interview sessions with potential follow-up, considered if required.
- The researcher will listen to the recorded interviews again to guarantee a thorough and accurate analysis of the findings.
- To avoid personal bias and guarantee the correct interpretation of the results, the researcher will collaborate with the Supervisor throughout the process.

3.8.3 Dependability

According to Elo et al. (2014), dependability is Data stability throughout time and in many environments.

- The researcher outlined the standards and justifications utilised to choose the participants.
- The researcher will be able to analyse the consistency of the findings by categorising the research instrument into the many components of the research topic.
- The researcher will take into account the following factors while choosing the study instrument to guarantee data consistency:
 - Clear and straightforward questions will be asked. The researcher will note what was unclear and how context was provided if a participant needs more explanation of a question.
 - Open-ended questions will be asked. To guarantee the consistency of the data analysis, questions with multiple-choice answers and lengthy answers were not asked.
- Complete documentation of the methodology used to analyse the data using thematic results

3.9 Ethical considerations

Anticipated ethical dilemmas may develop during the qualitative research process Creswell and Miller (2010). The research will incorporate data collection by building a relationship of trust, promoting the integrity of the research, preventing misconduct and any improper behaviour that could reflect poorly on their companies, and managing new, complex problems; researchers can protect the research participants who participate in their studies Creswell and Miller (2010). Participants' rights, needs, interests, and preferences must be respected first and foremost. Phenomenological research aims to elicit thoughtful and insightful responses to inquiries that extract a substance from comments and views. In addition, the reputation and standing of the participants are public, as the study's conclusions may be shared with other individuals and organisations.

The following moral standards will be taken into account:

- Before collecting study data, Ethics Committee's approval from Wits Business School (WBS) was obtained.
- Participants were given consent forms before taking part in the study. In this study, participation was voluntarily given.
- Participants reserved the right to discontinue and decline participation at any time.
- Participants were informed of the study's goal (including the fact that it is only intended for academic purposes), significance, methodology, and duration.
- Before scheduling an interview, parties agreed on a date and time.

The following meeting protocol was used:

- Participants were made aware in advance that interviews were recorded. Interviews will be conducted online (MS Teams).
- After finalising the study is finished, it will be published, and all transferability and reliability requirements will be satisfied.

- Anonymity and confidentiality was maintained because no names of people or businesses will be published without participants' permission.

All participants were given information on the study's publication and the research's findings if they are interested.

CHAPTER 4: DATA PRESENTATION AND ANALYSIS OF FINDINGS

The previous section detailed the research methodology used to conduct the study. The chapter commenced with an examination of the qualitative research process, encompassing the ontology and epistemology of the study, theoretical presumptions of the phenomenological approach, research induction, research position, and research design.

The study gathered empirical data and extracted significant insights through participant/stakeholder interviews. The present chapter endeavours to expand upon the inherent and profound comprehension of existing knowledge regarding the influence of Organisational Ambidexterity on the sustainability of South African digital platforms.

The present research demonstrates a significant and practical relevance to stakeholders based on an epistemological comprehension of the empirical data. The study primarily employs semi-structured interviews conducted during fieldwork to analyse and discuss the findings.

4.1 Data Collection

As per Burns and Grove's (2010) scholarly work, data gathering refers to the precise and methodical collection of empirical data that pertains to the research problems. This is achieved through various means such as interviews, participant observation, focus group discussions, narratives, and case histories.

The present study employed a methodology involving data acquisition through semi-structured online interviews conducted using the virtual online meeting platform MS Teams. The study employed the expert sampling technique, a type of purposive sampling. The study necessitated acquiring knowledge grounded in a specific domain of proficiency from the respondents. The study's cohort consisted of 10 professionals who represented diverse stakeholders within the

Fintech industry during the study. The study employed a semi-structured interview guide (see Appendix A) that encompassed predetermined themes, namely:

- The role and contribution of Fintechs
- Digital technologies
- Automation
- Measures on success
- Innovation
- Business sustainability
- Business development
- Return on investment
- Partnerships, joint ventures

The data quality was enhanced. Qualitative research methods afforded the flexibility to repeat, rephrase, and break down questions into smaller components to ensure that participants comprehend and respond accurately. Furthermore, it facilitated increased spontaneity and adaptability in the interaction with research participants.

4.2 Application of Data Presentation and Data Analysis

The collected data was organised and displayed in a structured manner, utilising various formats such as sequences, narratives, and tables. The purpose of this arrangement was to facilitate comprehension and analysis. A data reduction matrix, exemplified in Table 2, was employed to enhance the clarity of presentation and analysis.

1 **Table 2 Data Reduction Matrix**

Steps	Step 1	Step 2	Step 3	Step 4
Analysis	<i>Verbatim transcription</i>	<i>Vertical 1 Analysis</i>	<i>Vertical 2 Analysis</i>	<i>Horizontal Analysis or Emerged Themes</i>
Action	Transcripts of interviews that were verbatim recordings of the interviews conducted with each participant.	The data reduction process involved the condensation of information obtained from individual interviews of participants conducted in Step 1. The data excerpts of the research objective were systematically numbered for subsequent analysis.	The data reduction process involved converting the summarised participant interviews, identified in bold font during Step 2, to decrease the overall volume of data. The preliminary themes begin to surface as a result of this procedure.	A comparative analysis of the significant material identified from vertical levels. A recurrent theme emerged from various sources, including experiences, perceptions, attitudes, values, beliefs, concepts, and ideologies. The preliminary themes were transformed into emergent themes and subsequently subjected to indexing for categorization.

4.3 Presentation and Analysis of Research Findings

Burns and Grove (2010) claim that data analysis is a systematic approach employed to condense and organise data to generate results that necessitate interpretation. To clarify, data analysis involves the systematic gathering and arrangement of data in order to conclude the subject under investigation. This facilitates the resolution of research inquiries, the identification of solutions to problems, and the extraction of significant insights.

As per Maxwell's (1961) assertion, the analytical process commences immediately after the data collection. The process of preparing the gathered data entails the clarification of pre-existing notions regarding the phenomena being investigated. Subsequently, the engagement involves an in-depth and comprehensive perusal of the complete interview transcripts to become familiar with the information and gain comprehension (refer to Table 3). The abovementioned procedure facilitated the investigation in discerning and extracting significant and pertinent assertions.

Table 3 presents the empirical data and corresponding analysis. The tabular representation consists of interview questions (IQ) and primary and secondary themes that have surfaced during the analysis.

Table 3: Preliminary analysis

Interview Questions	Initial Themes	Emerged Themes
IQ1	We build digital products, a FinTech platform Mess audit platform, millions of records you need to audit, gives you the anomalies you need to focus on based on input data.	Financial Services, payment platform Fintechs (IQ1.1)
	A leading executive search firm, we specialize in placements within the FinTech and payments sector.	
	Investment banking division to look at how we can play a role within the tech space, starting with enough Fintechs	
	Providing a suite of digital content services through our partnership	
	Supplement to the traditional payment methods with us via cash or debit card, or credit card (mobile wallet)	
	Financier for micro-enterprises in the informal economy	
IQ2	2018	Start-up phase or early stage (IQ2.1)
	since 2017	
	officially launched last year in July (2022)	
	started in 2017	
	We have been operational for about 18 months	
IQ3	Mojo pay	Local Fintechs (payment aggregators and
	Retail capital, and Lulu lend	
	MoMo	

	Spoon money	Mobile Money) (IQ3.1)
	Mobile money is like it is bigger than banks, contributes between one and 2% of the GDP of the country	
IQ4	Successfully and sustainably grow the FinTech talent pools and thereby growing the industry as a whole.	Revenue generation and growth (IQ4.1)
	Certainly from a revenue point of view is making sure at a very minimum that you are covering the costs	
	Economically with financial performance or profitability	
	A success measure for them is basically how they grow through the different phases	
	The success of the entity	Stability of technology and infrastructure (IQ4.2)
	Being a digital business, we also need to ensure that our technology platforms are stable and available seven by 24 365	Stability of technology and infrastructure (IQ4.3)
	Ensure that we have the right calibre of skills.	Human capital (IQ4.4)
	Level of funding	Investment (IQ4.5)
	Given out about half a million rands worth of financing to just over 115 businesses. So I would say, give or take, with about 50 to 60 subsequent loans, and a <i>default rate</i> of about 8.6%.	Default rate (IQ4.6)
	The Amount of money we disperse also comes with our delta. So duration delta, which means if I send out this loan, and it is a four-week term, what is the actual repayment level	

	Impact framework now, which is predominantly the green light movement, looks at poverty alleviation	Environmental Social and Governance (ESG) metrics (IQ4.7)
	Traditional financial metrics (cost to income ratio, revenue growth)	Traditional financial metrics (IQ4.8)
	Strategic partnerships.	Strategic partnerships (IQ5.1)
IQ5	Business modelling is really about building strategic partners	
	A client needs a product, they accept the product through our platform	Clients (IQ5.2)
	The consumer residential market	
	Three directors within the business, we kind of share a value proposition	Founders, directors and employees (IQ5.3)
	Banking institutions	Government, financial institutions and regulators (IQ5.4)
	A whole range of mandatory government compliances that you need to be aligned with South African revenue service, your VAT registration, and your income tax registration	
	The regulatory bodies, this being, you know, the Reserve Bank, different financial institutions, founders, investors	
	IDC (Industrial Development Corporation), SEFA (Small Enterprise Finance Agency), traditional banks, regulators, international organizations and foundations (for example the Michael and Susan Dell foundation)	
IQ6	It is the core and essence of our business	Core to operations (IQ6.1)
	Digital transformation changes sustainability based on increase awareness	
	Nowhere in the value chain, everything is automated	
	As a Fintech, it is the very essence of who we are	

	digital transformation basically is our core business. We want to automate the entire value chain as much as possible	
IQ7	I think resource efficiency. Organizations specifically in FinTech optimize the use of resources, you know, making sure that they reduce waste,	Resource efficiency (IQ7.1)
	Time efficiency has been massively affected	Time saved (IQ7.2)
	On-boarding acquisition process, there is no paperwork involved	Operational efficiency (IQ7.3)
	Cloud based offerings: dedicated server environment that provides the Tech portal	Real time solutions (IQ7.4)
	Services are either web based or app based at this point in time	
IQ8	We're in WhatsApp platform, keep the costs low for the end consumer by doing everything over WhatsApp <i>in South Africa, the WhatsApp penetration rate is 96%</i>	Financial inclusion Cost saving (IQ8.1)
	Trying to solve the issue that normal credit bureaus and traditional finances, they have outdated credit risk models, and the very bias sort of credit assessment procedures	
	Try and achieve is to lower the transaction costs for making payments	
	It's about financial inclusion, which is important in the continent, and African strategy. There's a lot of people that are financially excluded to talk about the unbanked and underbanked	
	Right there <i>financial inclusion</i> , convenience and yeah, making sure there's more back in the pocket for people	
	We are a social enterprise, catalyze economic growth through providing sort of tailored financing, we predominantly do asset based loans. looking at sort of how can we increase stability and resilience of businesses.	

	Transportation systems that are changed towards the digital way of work. That is, obviously works again towards environmental sustainability	
	Gender diversity, specifically the problems that are facing women and Fintech. On the tech side of FinTech, that woman in those positions have a major problem with the pay gap.	Gender diversity (IQ8.2)
IQ9	Leverage technology to create an inclusive society and actually enable provide people with tools to actually get out of poverty	Use of technology (IQ9.1)
	We use technology when we innovate. We use technology, even when we conceptualize. So from inception, all the way to operations, there's 100% technology involved.	
	Small changes are needed first to lead to significant improvement down the line.	Incremental innovation (IQ9.2)
	We do it incrementally rather than wholesale	
	Had to start up the R&D department, a department that basically has no ROI on it	Research and Development (IQ9.3)
IQ10	We failed to deliver on the promises that we made to our clients at some points. assumption that they knew, led us to make a strategic decision on how to operate without actually looking at what they really didn't know	Failed to deliver on promises (IQ10.1)

	The partnerships that we've entered into, relied on the good word and trust to actually make the investment into enhancing our FinTech offering unfortunately, that business partner has not delivered on their commitment in terms of bringing the numbers to the table	Contractual agreements (IQ10.2)
IQ11	Looking at people trying to bulk buy together	Cultural differences (IQ10.3)
	People in South Africa don't like to work together	
	Adding to the KPIs for them. So some sort of measure, it's important that you have those measures in place	Performance Measures and monitoring (IQ10.4)
	Needs to have incremental plans before we can reach the strategic goal	
	should have been more diligent to actually hold them to certain performance standards, which was not intervene into that particular agreement	
IQ12	Main one is KYC, you want to make it as seamless as possible, especially when you have new clients	Process improvements (IQ12.1)
	From the back end, we're still building now with an architecture. A sort of Google Form Guide, which gets pulled through to an Excel spreadsheet, which has a lot of nice formulas, which we then score.	
	We're looking at building a Whatsapp bot that is completely translated or should we translate it as much as possible into home languages	
	Been using that screen scraping because there's no bank wants to share that information with anybody (elaborate words we've come up with HTML parsing, and open API's)	

IQ13	Allow people to do peer to peer payments. I can just send you money from a bank to your bank. That was the start of the mobile money journey of also as well.	Self-help options (IQ13.1)
	Self-help chatbots, more about self service	
	A huge thing within our business chatGBT, it helps our clients put together accurate job descriptions, help us to summarize things that we might not be knowledgeable of the industry	
	Online shopping. I mean, now you have buy now pay later options. Credit facilities are a big driver of economic activity	
	The next super cruise that came out was something called Buy now pay later, BNPL	Credit facilities (payment options) (IQ13.2)
IQ14	Facebook profit, take a bunch of information, absorbs it, and then kind of tells you what the trend is of your your client base, where they're coming from, what they're going to buy next. What can retailers they're going for, which meant we needed to do data lakes.	Payment options/streams (IQ14.1)
	Introducing prepaid electricity within the mobile wallet	
	Introducing something with payments, like WhatsApp have just released in South America of WhatsApp pay, which means that you'll be able to pay people through WhatsApp	
	Introduction of Blockchain technology, I do see the migration happening slowly. B2B cross border payments, especially on the continent, Blockchain is a valuable technology	
IQ15	Strategic partners. Partnerships are critical in the success.	Partnerships and alliances (IQ15.1)

	Your revenue performance. How much income you generating versus what expenses	Revenue growth (IQ15.2)
	If you're carrying too much debt on your balance sheet that'll be reflected	Debt/equity ratio (IQ15.3)
IQ16	We want to do the whole of Africa. I think Africa is really fragmented at the moment	African expansion (IQ16.1)
	Got a license from the Central Bank of Mozambique to operate	
	Few more countries in the continent.	
	Explore into some more sub sectors, like transformation or digital transformation within telecommunications	
	Hopefully, this year, we're going to make us imprint in Middle East and hopefully into the US as well	
	Our neighbouring countries make sense to tap into because there's a relationship,	
	Partnerships and affiliations between your traditional banks and Fintechs. Bigger banks, its market penetration strategy and scalability for the Fintech	
IQ17	She can get there and pay using a QR code function on the platform	Enhanced payment functionality (IQ17.1)
	Also looking solely at cryptocurrencies within the next two to three years	Digital financial assets (IQ17.2)
	Gaming and entertainment.	Gaming and entertainment (IQ17.3)
	Investment strategy for scaling would probably look at VCs, looking at embedding our finance into other solutions that want market access.	Venture Capital (IQ17.4)

IQ18	We're looking at can we partner with a generator, provider to embed our financing, they get access to the market, we get a commission of their goods	Partnerships (IQ18.1)
	When you do KYC onboarding it involves some sort of an AI capability. Because you take a selfie, there are certain things we integrate with Home Affairs in South Africa	Artificial Intelligence (AI) (IQ18.2)
	AI side is anything that has to do with AI branding.	
	We are looking to move towards a machine learning model, which will look more at your building using artificial intelligence	
	Occasionally API's	Application Programme Interface (API's) (IQ18.3)
	We're looking at sort of building API's	
	Free AR tools that are now available to assist you in editing a podcast or, you know, tools to generate voice overs without having to interrupt half of your staff to do a recording	Augmented Reality (AR) and Virtual Reality (VR) (IQ18.4)
	In the next year or two, is to look at things like virtual reality and augmented reality, particularly in the education space, there are some very cool technologies out there that we can incorporate into the education and experience, it's still very, very pricey, in my view for the South African market at this stage	
	It's all about decentralized systems. And maintaining integrity. Blockchain and the Metaverse is part of that	
IQ19	Very innovative potential partners in the marketplace that could give us access to augmented reality	Artificial Intelligence and Machine Learning (IQ19.1)

	Artificial intelligence and machine learning deep learning, we typically want to try and utilize those for our technologies, particularly in the FinTech space	Big Data (IQ19.2)
IQ20	Building up that sort of data lake to make more informed decisions. we've got to know who the user is how much they're spending, we don't know specifically, what are they spending it on at this particular point in time	Market gap (IQ20.1)
	Partnerships are critical in the success	
	You need to look at what the opportunity is	Market research (IQ20.2)
	You assess based on a risk profile, informed decision is by having all the information at your disposal first.	
	Always conduct your market research, understand the target market the size, the growth, potential competition, regulatory requirements	
	Do a competitive analysis, who is the competition in the target market? What are the barrier barriers to entry? You know, are there too many competitors? Is the market too flooded?	Competitor analysis (IQ20.3)
	Financial Analysis and partner analysis, so can we partner with local companies	
IQ21	Mobilize resources by using the skill set that each person is best at appear.	Outsourcing of resources (IQ21.1)
	We use contractors	
IQ22	Identify the critical skills required to deliver on our offering	Outsource (IQ22.1)
	When it comes to sales and marketing, you need to try and keep that as close as possible to you	
	Mostly outsource capabilities to manage costs.	

	Things like software development, we've outsourced things like our legal services, we've outsourced even some of our accounting functions, we've actually outsource	
	Ongoing and continuous training with the team	Training and development (IQ22.2)
IQ23	Outsource the skills we don't have, also helps keep a low cost base	Outsource (IQ23.1)
	Familiarizing yourself with the ecosystem is really important	Understanding the problem and solving for it (IQ23.2)
	I need to know what I need to understand; I'm not going to spend hours trying to like build the data lake.	
	Understanding your market, understanding the needs	
IQ24	Being able to, you know, study and understand the market that you're going to serve	Entrepreneurship/ Client centricity (IQ24.1)
	Entrepreneurship	
	We have to build on the skills that they already have, and make sure that those are clear and defined before we can start adding any new niche skills to fulfill other opportunities.	Solution orientation (IQ24.2)
	Application of digital digital tools technologies	Tech savviness (IQ24.3)
	Background in finance and accounting, which is great, but it doesn't really always teach how to build a business as well	Business acumen (IQ24.4)
	Key ones would be how do you product design? How do you problem solve, like how do you define a problem and understand the customer's pain point and be able to take that and ensure that you're solutioning for that,	Problem solving (IQ24.5)

4.4 Developing the Core Concepts from Emerged Themes

The emergent themes were derived from the initial themes identified in the coding matrix presented in Table 3, as explained in the preceding sections. The surfaced themes are assigned an indexed number based on their corresponding Interview Question numbers.

The present section organises the identified themes into the overarching category of core concepts, as suggested by previous scholarship McCain (1988); (Burnard (1991). The purpose of data grouping is to minimise the number of categories by consolidating those that are alike or dissimilar into fundamental concepts. According to Dey (1993), the process of categorising themes is intricate and involves the observation of similar and related themes that have emerged. The surfaced themes can be categorised into distinct groups and may be relevant to one or more groups. It is imperative to examine the associations and affiliations of the emerged themes across various categorization matrices, using the "is associated with" and "is part of" relationships.

The decision-making process involved identifying emergent themes and subsequent grouping of these themes. This was achieved by assigning core concepts as labels to establish connections between the themes. The act of categorization facilitates the description of a phenomenon, promotes transparency in the process, and enhances comprehension of the transition from concrete to conceptual knowledge Cavanagh (1997).

The process of abstraction involves the creation of overarching narratives of the subject matter or conceptual elements using generating categories of themes. This methodology has been discussed by various scholars, including Robson (1993), Burnard (1991), and Polit and Beck (2004). Distinct labels are assigned to each category based on content-specific terms that reflect varying degrees of abstraction. These terms may include emerged themes with index numbers that correspond to core concepts.

The process of abstraction, as outlined in Table 4, was carried out with a high degree of reasonableness. The selection of research methodology was contingent upon the study's objectives, predetermined themes or propositions, systematic literature review, and subjective decision-making, as the study drew upon the interpretive philosophy or paradigm.

Table 4 illustrates the process of abstraction involved in the development of core concepts from the themes that have emerged.

Table 4: Emerging Themes

Emerged Themes	Core concepts	Themes or Objectives	Proposition
Financial Services, payment platform Fintechs (IQ1.1), Start-up phase or early stage (IQ2.1), Stability of technology and infrastructure (IQ4.3)	Early stages	Organisational Ambidexterity	P1: Organisational Ambidexterity
Strategic partnerships (IQ5.1),, Outsource (IQ22.1), Understanding the problem and solving for it (IQ23.2)	Outsourced capabilities		

Digital transformation is core to operations (IQ6.1), Resource efficiency (IQ7.1), Time saved (IQ7.2), Operational efficiency (IQ7.3), Real-time solutions (IQ7.4), Process improvements (IQ12.1), Self-help options (IQ13.1), Credit facilities (payment options) (IQ13.2),	Operational efficiency, effectiveness and efficacy	Exploitative innovation	P2: Exploitative innovation
Training and development (IQ22.2), Solution orientation (IQ24.2), Tech savviness (IQ24.3), Business acumen (IQ24.4), Problem solving (IQ24.5)	Training, upskilling and reskilling		

Use of technology (IQ9.1), Incremental innovation (IQ9.2), Research and Development (IQ9.3), African expansion (IQ16.1), Enhanced payment functionality (IQ17.1), Digital financial assets (IQ17.2), Gaming and entertainment (IQ17.3), Venture Capital (IQ17.4), Partnerships (IQ18.1)	Product development and new markets	Explorative innovation	P3: Explorative innovation
Artificial Intelligence (AI) (IQ18.2), Application Programme Interface (APIs) (IQ18.3), Augmented Reality (AR) and Virtual Reality (VR) (IQ18.4), Artificial Intelligence and Machine Learning (IQ19.1), Big Data (IQ19.2)	Emerging technologies	Explorative innovation	P3: Explorative innovation

Failed to deliver on promises (IQ10.1), Contractual agreements (IQ10.2), Cultural differences (IQ10.3)	Unsustainable Growth for South African Digital Platforms	Outcome
Market research (IQ20.2), Competitor analysis (IQ20.3), Outsourcing of resources (IQ21.1), Entrepreneurship/ Client centricity (IQ24.1)	Sustainable South African Digital Platforms	

4.5 Summary of the Chapter

The current chapter presents the study results, which were thematically analysed from vertical one and horizontal perspectives (as shown in Table 3). Before this analytical process, the data had been transcribed from original interviews recorded by the research team during fieldwork. The participants' responses were refined and condensed into concise segments to comprehend their underlying meanings. Through this process, themes gradually emerged from the initial themes, revealing a deeper and more comprehensive understanding of the subject matter.

Table 4 was constructed and used to enhance the presentation and analysis of the data in order to delineate the methodology. A concise summary of each outcome was subsequently exhibited. Table 4 demonstrates the usefulness of qualitative data analysis, as Ritchie and Spencer (1994) outlined, in reducing data and transparently processing meanings when confronted with a large amount of empirical evidence.

The subsequent chapter presents a comprehensive overview of the empirical evidence and incorporates relevant literature from other scholars. The construction of the research framework involves the cartography and analysis of fundamental concepts while considering quotations derived from perceptions and lived experiences that establish connections between each theme or research objective/question. Ultimately, the theoretical or conceptual framework of the study is formulated.

CHAPTER 5: INTERPRETATION OF FINDINGS AND FRAMEWORK DEVELOPMENT

The previous section defined the breakdown of the empirical information and its examination. The text addressed the concept of data reduction and transparent processing of meanings in the face of a substantial amount of empirical evidence. Moreover, it demonstrated the emergence of themes from preliminary themes and, subsequently, the discovery of core concepts through the abstraction process based on the extensive in-depth knowledge gathered from participants via interviews.

The subsequent section of this document delineates the explication of the results obtained in the antecedent chapter as fundamental principles. During this period, the research aimed to fulfil specific objectives or provide answers to research questions that guided the inquiries. This chapter facilitates the formulation of a theoretical concept.

The structure of the report is organised into two main sections: firstly, the results of the secondary research questions or objectives, and secondly, the findings on the primary research question or aim/goal. This section analyses the core concepts, further examined in detail by categorising secondary research questions.

The subsequent section deliberates on the fundamental principles discovered in the preceding chapter.

5.1 Findings Related to the Core Concepts

The core concepts discovered in the previous chapter are discussed below.

5.1.1 Findings Related to Secondary Research Question 1: Organisational Ambidexterity

How does organizational ambidexterity enable innovation in South African digital platforms?

5.1.1.1. Findings related to early stages of Fintech entities

Fintechs are helping the financial industry develop highly customised, customer-focused digital services. Notably, South Africa is at the centre of Fintech and digital technology in Africa, which will likely stay valid for the foreseeable future.

Fintechs compete with incumbent banks (as mentioned above) who have been around and thus have a scale, networks, market dominance and bigger budgets. These companies have big budgets for innovation and are likely to get better rates on business services they outsource. South Africa's financial industry is very concentrated, which makes it hard for new companies to get in. Even though the field is extensive and complex, it has strict rules about running it.

As extracted from the initial themes in IQ2, most of the Fintechs represented in the sample are in the emergence phase (as illustrated in the diagram below).

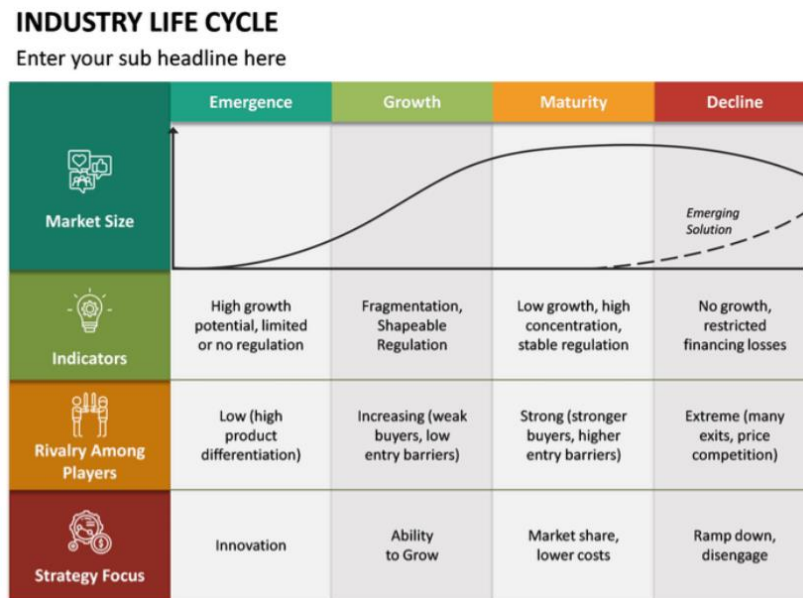
“2018”

“Since 2017”

“officially launched last year in July (2022).”

“We've been operational for about 18 months.”

Figure 5: Industry Lifecycle



Source: <https://www.sketchbubble.com/en/presentation-industry-life-cycle.html>

The implementation of Fintech has the potential to expand both the range and quantity of available financial products. In order to facilitate the integration of individuals into the formal sector, it is recommended to expand the distribution channels and financial access, given the increased accessibility of digital solutions that do not necessitate physical presence.

A limited degree of distinction exists among the digital solutions offered by incumbent banks in South Africa, namely Absa, Standard Bank, Nedbank Group, First Rand Limited and Capitec. One possible explanation for this phenomenon could be attributed to the different strategies for innovation adopted by banks and Fintech companies. Many Fintechs want to partner with or be bought out by established providers so they can use their customer base, delivery networks, or experience with regulatory compliance.

One of the primary obstacles encountered by Fintech start-ups in Africa is the lack of capital accessibility. Investors exhibit reluctance to invest in African Fintech companies due to the elevated risks typically associated with early-stage

ventures. The restricted availability of financial resources constrains the expansion prospects of numerous emerging enterprises.

Developing South Africa's innovation ecosystem is necessary for the Fintech sector to expand because it will remove constraints related to access to skills and a well-coordinated policy response. The developing Fintech industry has the potential to offer various advantages.

5.1.1.2. Findings related to early stages of Outsourced capabilities

Outsourcing has the potential to enhance operational efficiency and optimise various business processes. Outsourcing enables Fintechs to efficiently maintain or reduce their workforce in response to fluctuating demands, facilitating effective management of diverse requirements. The cost of labour is relatively low. Employing newly developed technologies is fundamental to the operation of every Fintech. As a result, IT services and the outsourcing of software development teams are among the most often used forms of outsourcing for Fintech initiatives. The following verbatim quotations were used to support this new theme.

“Strategic partnerships.” (IQ5.1)

“Outsource” (IQ22)

“Mostly outsource capabilities to manage costs.” (IQ22.1)

“Understanding the problem and solving for It.” (IQ23.2)

Outsourcing to third-party services can provide the necessary workforce and expertise to manage routine aspects of daily operations, enabling Fintech to concentrate on innovation and expanding the business. Outsourcing has the potential to yield substantial financial benefits for corporations.

Outsourced Fintech software development organisations typically have access to cutting-edge technologies, allowing them to provide novel solutions.

5.1.2 Findings Related to Secondary Research Question 2: Exploitative Innovation

How does exploitative innovation influence the sustainability of South African digital platforms?

5.1.2.1. Findings related to operational efficiency, effectiveness and efficacy

Li (2022) states that data collected in real-time, instead of retrospectively, comes from sources such as customer insights or enterprise hardware and software. Companies are finding new communication methods as information technology and operational technology combine. Production information can be fine-tuned in real-time by synchronising data from suppliers, customers, and businesses. Machines, systems, and humans can now automatically share information, bridging the gap between the digital and physical worlds.

“Digital transformation is core to operations” (IQ6.1)

“Resource efficiency” (IQ7.1)

“Time saved” (IQ7.2)

“Operational efficiency” (IQ7.3)

“Real-time solutions” (IQ7.4)

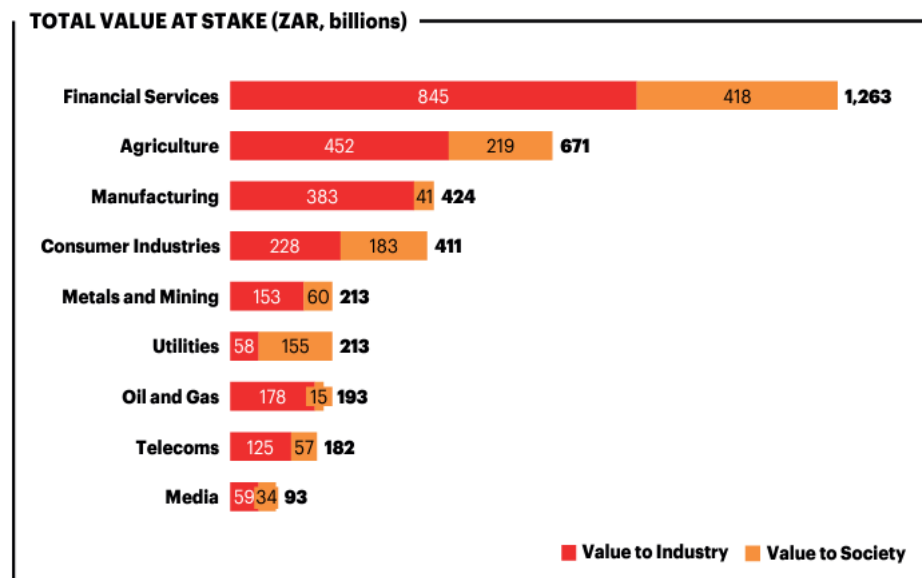
“Process improvements” (IQ12.1)

“Self-help options” (IQ13.1)

“Credit facilities (payment options)” (IQ13.2)

A study by Mngxati and de Haas (2019) stated that implementing digital transformation in nine industry sectors has the potential to yield a significant economic benefit of more than R3.6 trillion. Notably, the industry sector is expected to receive the largest share of this benefit, amounting to R2.5 trillion, as illustrated in Figure 6. The financial services, agriculture, and manufacturing sectors exhibit the most significant potential for transformation.

Figure 6: Value at stake across SA sectors



Source: Accenture Strategy

5.1.2.2. Findings related to training, upskilling and reskilling

Before COVID-19, automation and new technology changed labour, necessitating widespread upskilling and reskilling. The introduction rate of new skills and technologies has accelerated significantly compared to the pace observed a decade ago. The rapid pace of technological advancement necessitates continuous retraining of workers as new competencies are introduced, and obsolete ones are phased out. The upskilling and reskilling can assist Fintechs in retaining talent and contributing to their digital transformation

objectives. This approach can also equip Fintech's adapt to current changes and prepare for looming developments that may necessitate enhanced agility.

“Training and development” (IQ22.2)

“Solution orientation” (IQ24.2)

“Tech savviness” (IQ24.3)

“Business acumen” (IQ24.4)

“Problem-solving” (IQ24.5)

As defined by the Whiting (2020) of the World Economic Forum, the top ten talents for reskilling and upgrading a workforce to be future-ready:

1. Analytical thinking and innovation
2. Active learning and learning strategies
3. Complex problem-solving
4. Critical thinking and analysis
5. Creativity, originality, and initiative
6. Leadership and social influence
7. Technology use, monitoring, and control
8. Technology design and programming
9. Resilience, stress tolerance, and flexibility
10. Reasoning, problem-solving

In the context of responsibility, dynamic capability is commonly referred to as, *“firm’s ability to address the rapidly evolving sustainable expectations of stakeholders by purposefully modifying functional capabilities for the*

simultaneous pursuit of economic, environmental and social competences” Wu, et al (2012) (p.33)

Employers predict that certain skill sets will become more in demand over the next five years, with analytical thinking and innovative skills at the top.

Some aspects of how Fintechs can adapt some of the skills listed above include, analytical thinking and innovation are crucial for Fintech companies, as they necessitate the ability to effectively analyse data and devise innovative solutions for complex challenges Mention (2019) Kiderlin (2023)

Active learning and learning strategies: Adaptability to new technology and rules, as well as a commitment to ongoing learning and improvement, are essential for the success of Fintechs, Eggens (2021).

Complex problem-solving is a critical skill that Fintechs must possess in order to effectively address intricate challenges at the intersection of finance and technology, Whiting (2020) Kiderlin (2023)

Creativity, originality, and initiative: Fintechs must be creative, inventive, and proactive to advance the financial services industry.

Upskilling and reskilling initiatives have the potential to foster innovation in Fintech through the process of digital transformation, necessitating proficiency in technical domains such as Machine Learning, Data Analysis, and DevOps, all of which are currently experiencing inadequacies. Implementing upskilling and reskilling initiatives can facilitate the acquisition of new technical and soft skills, thereby addressing skills deficiencies and enhancing the ability of employees to assume additional responsibilities that align with the evolving demands.

Reasoning, problem-solving, and ideation: Fintech enterprises necessitate the capacity to engage in critical thinking, problem-solving, and ideation in order to devise innovative resolutions to challenges.

Stakeholders in the educational system, representative organisations, and corporations from various fields must work together actively.

According to Santosdiaz (2022), a distinctive characteristic of South Africa is not solely the elevated level of mobile phone usage but also the notable prevalence of smartphones within the nation. As an illustration, it can be observed that currently, 95% of the population in South Africa possess a mobile phone. Moreover, a distinguishing feature that sets it apart from a significant portion of sub-Saharan Africa is that 91% of all mobile devices in the nation are smartphones.

5.1.3 Findings Related to Secondary Research Question 3: Explorative Innovation

How does explorative innovation influence the sustainability of South African digital platforms?

5.1.3.1. Findings related to Product development and new markets

Exploring strategies to enhance financial products' benefits and value proposition could entice consumers to grow their use of current products, thereby creating additional revenue streams for Fin-tech start-ups.

Consistent with global patterns, the primary source of financing for fintech enterprises has been venture capital, given that the majority of fintech startups are deemed to be high-risk and necessitate funding during their nascent stages of operation, National Treasury (2019)

According to National Treasury (2019), the provision of Venture capital and Private equity as a means of funding during the Expansion phase is on the rise. Nevertheless, there is a scarcity of funds tailored to meet the particular requirements of ICT start-ups. The venture capital and private equity market in South Africa is expanding, exhibiting a solid track record of profitable returns and

exits. The level of VC funding accessibility is deemed to be higher than the worldwide mean and consistent with the BRICS counterparts.

South Africa exhibits a favourable performance in terms of funding. Between January 2015 and May 2022, a cumulative sum of \$993,684,600 was raised by 357 distinct technology start-ups in South Africa, Santosdiaz (2022)

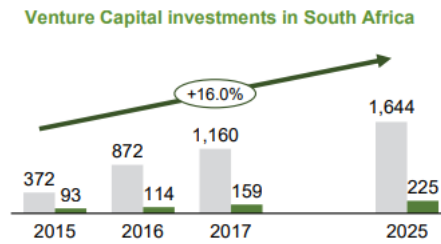
The amount of funding start-ups has exhibited a consistent upward trend in recent years, with a notable surge in the past three years. The current year is poised to set a new record in terms of the number of start-ups supported and the total amount of funding secure, Santosdiaz (2022)

According to Santosdiaz (2022), Buy Now Pay Later (BNPL) has emerged as a potential avenue for exploration in the South African market. The Buy Now Pay Later (BNPL) industry is projected to experience a growth rate of approximately 97.5% in South Africa in the current year, resulting in a market value of over \$450 million (\$457.3) by year-end.

In recent years, we have noted that Cryptocurrencies have gained significant popularity in South Africa, where it is among the major global users of this digital asset. South Africa ranks among the highest in the MEA region, alongside other countries such as Kenya, Nigeria, and Togo, Santosdiaz (2022). The financial services industry in South Africa is widely acknowledged as being highly advanced. However, established players maintain a stronghold on the market, posing difficulties for Fintech companies seeking to expand their operations.

As depicted in the diagram below, in 2017, a total of R1,160 million was invested, with 42% of the investment categorised as growth capital and 57% as seed and start-up funding. Consistent with global patterns, venture capital has been the primary funding source for Fintech enterprises, given that most such startups are deemed high-risk and necessitate financial resources during their nascent stages of operation.

Figure 7: SA Venture Capital investments



Sources: 1. VC4A (2018) Start-up Ecosystem Analysis South Africa | 2. SAVCA 2018 Venture Capital Industry Survey | 3. WEF (2017). Global Information Technology Report

Shah and Gupta (2023) analysis suggests that the Fintech sector in South Africa is characterised by a relatively high concentration of Insurtech ventures, while blockchain-based initiatives are comparatively scarce.

5.1.3.2. Findings related to Emerging Technologies

Fintech companies are inherently oriented towards technology and strategically evaluate how to utilise technological advancements to transform the financial industry. Financial institutions prioritise the exploration of technological advancements to enhance their current operations, aiming to deliver dependable and secure banking services to their customers more effectively. Hence, the extent of digital adoption and advancement among the incumbent banks has curtailed the potential for new Fintech entrants to cause significant disruption. However, Fintech companies are not hindered by legacy operating systems have ample opportunity to establish unique value propositions through agile, data-driven operating models.

By making it easier for people to use digital technologies, a country usually characterised by bureaucracy, corruption, and state failure is getting a lot of new business possibilities. Digital technologies get around the problems with institutions that have stifled business growth and activity for a long time. Digital systems that bring together service providers and customers are doing very well in areas such as banking.

Mobile money services are popular in Africa and have replaced traditional banking services, including money transfers. Mobile money platforms leverage digital tools for transaction coordination, bringing banking to previously unbanked areas and lowering the cost of sending and receiving money, Lashitew (2022)

The Internet of Things (IoT) is anticipated to experience significant growth in the coming decade, owing to the confluence of two factors: the rising accessibility of smartphones and their widespread integration by individuals and corporations. The Internet of Things (IoT) has been found to generate value for organisations by reducing costs and enhancing efficiency while also enabling consumers to attain elevated levels of productivity, Mngxati and de Haas (2019)

South Africa needs to put money into the proper infrastructure, improve its skills and abilities, and ensure secure IoT use cases.

Big data and analytics are expected to serve as a fundamental basis for digital transformation. Gathering information, interpreting it, and utilising sophisticated analytical techniques to enhance decision-making and streamline operations represents only the initial phase.

“Artificial Intelligence(AI)” (IQ18.2)

“Application Programme Interface (API)” (IQ18.3)

“Augmented Reality (AR) and Virtual Reality (VR)” (IQ18.4)

“Intelligence and Machine Learning” (IQ19.1)

“Big Data” (IQ19.2)

5.1.4 Findings related to the Outcome

5.1.4.1 Findings related to unsustainable growth for South African Digital Platforms

New business owners usually lack significant business and management knowledge in areas such as finance, IT, including software development, and marketing, as well as employing and managing workers. This can be problematic for the growth of the business. If the directors/ management team does not acknowledge the aspects of the business that they struggle with and seek outside assistance, there is a possibility that the company may not optimise operations.

Fintech's are inherently SMME's, who limit their workforce to minimise the admin related to labour laws and low operational costs. Skills not possessed internally, are outsourced to deliver on the product/ service offering.

It also emerged that within the FinTech industry partnerships, joint ventures and subcontracting is a common business practice. Legal disagreements can emerge between business partners, customers, vendors, and workers at any point in the supply chain. These disagreements have the potential to become more serious, which could ultimately result in the failure of the firm. Failures

The following verbatim excerpts were used to reinforce this emerging theme:

“Failed to deliver on promises” (IQ10.1)

“Contractual agreements” (IQ10.2)

“Cultural differences” (IQ10.3)

5.1.4.2 Findings related to Sustainable South African Digital Platforms

Learning and understanding customer needs, wants, and demand is vital before offering a product or service. Is there evidence to support the hypothesis that prospective customers will be willing to pay the proposed price?

Technology is not a solution or offering in itself. Fintechs and entrepreneurs need to understand how the different technology solutions can be used in their product/ service offerings. Most Fintechs solve socio-economic problems with the use of technology. More than understanding the problem they are solving, they need to understand the applicability and relevance of technology in the relevant social setting, such as the township economy.

Although most South Africans have and use smartphones, the cost of data, low levels of digital literacy and perceived distrust towards the use of technology need further consideration by Fintechs. Another inherent failure for Fintechs can result from inadequate responses to negative customer feedback, insufficient follow-up with customers to ensure product or service quality and functionality, and failure to utilise relevant customer feedback to improve products, services, or pricing strategies. The following verbatim excerpts were used to reinforce this emerging theme:

“Market research” (IQ20.2)

“Competitor analysis” (IQ20.3)

“Outsourcing of resources” (IQ21.1)

“Entrepreneurship/ Client centricity” (IQ24.1)

Fintech can eliminate poverty and boost economic growth by providing unbanked financial services. Fintech technologies that simplify banking can also promote financial inclusion.

5.2 Developed Theory or Developed Framework

5.2.1 Findings Related to Primary Research Question

This section provides a synthesis of the analysis of the results presented in the preceding sections to construct a theoretical framework. Consequently, the primary goal of the research was addressed through identifying and describing patterns and connections , which is illustrated in Figure 3

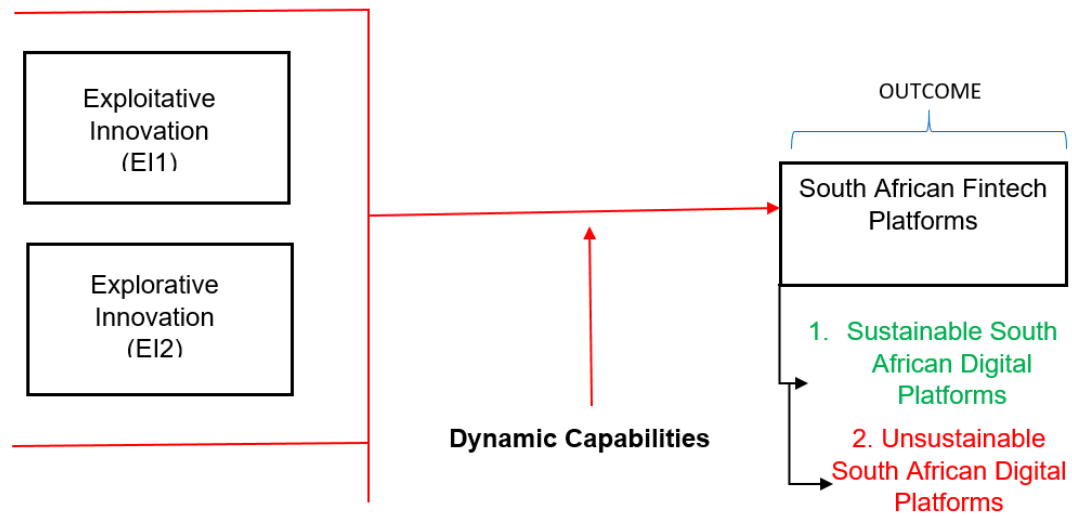
The main question this study was trying to answer was:

How does Organisational Ambidexterity influence the sustainability of South African digital platforms?

The results yielded a theoretical concept, as depicted in Figure 3, which illustrates the procedure outlining how exploitative and explorative innovation, as well as dynamic capabilities, are structured to influence the sustainability of South African Fintechs.

Figure 8: Developed Conceptual framework

Organisational Ambidexterity



This study effectively addressed the gaps by formulating a theoretical framework that explained the context in which how Organisational Ambidexterity influences the sustainability of South African digital platforms, with a specific focus on Fintechs. This section clarifies how the recently acquired understanding of fundamental principles and notable constituents from the conceptual research framework (Section 2.4) correspond with the golden thread.

5.3 Summary of the Chapter

The present chapter involves the interpretation of core concepts that were identified in the preceding chapter. This was achieved by incorporating relevant literature, research perspectives, and direct quotes from participants' lived experiences. These themes were linked during the pre-processing of empirical data. The methodology acquired comprehensive and insightful insights through discussion and interpretation, effectively addressing the primary and secondary research inquiries that guided the study.

The research has formulated a theoretical framework, significantly contributing to the existing knowledge body. This framework has been developed based on the themes and core concepts that have emerged from the data analysis and presentation.

The final section serves as the conclusion of the research expedition that was embarked upon. The present chapter presents a comprehensive analysis of conceptualising a framework based on the organisational ambidexterity and dynamic capabilities' ability to influence the sustainability of South African Fintechs. The framework provides valuable insights and reflections on exploitative and explorative innovation and dynamic capabilities. The paper concludes by presenting recommendations and suggestions for potential future research endeavours.

CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

This chapter summarises the research conducted and clarifies the rationale behind the undertaken journey. This chapter presents a comprehensive overview of valuable insights and contemplations derived from conceptualising a framework firmly rooted in a theoretical foundation objective to understand how Organisational Ambidexterity influences the sustainability of South African digital platforms.

This chapter is structured into three distinct sections. The initial section provides an overview of the study. The subsequent segment re-examines the research aim and breaks down the approach to tackling each objective. Ultimately, the study concludes with a discussion of suggestions and recommendations for future research.

6.1 Overview of the Research

Chapter One provided a comprehensive survey of the research domain, presenting a synopsis of the main ideas on the research subject. The study's contextual framework was deliberated, and areas of limited understanding were recognised, encompassing theoretical and practical deficiencies that served as the basis for this investigation. The research problem statement was formulated by synthesising the identified gaps. The chapter concluded by presenting the research objectives based on the knowledge gaps and research questions that guided the investigation.

The second chapter provided an overview of the existing literature and the research's theoretical framework. The theoretical foundations encompassed a set of theories on organisational ambidexterity, including but not limited to dynamic capabilities. The framework was employed to summarise the notion of Fintech (as a digital platform) sustainability, underpinned by exploitative and explorative innovation. The underpinnings of each theoretical framework were explained,

encompassing its limitations and areas of contention. This chapter culminated in developing a conceptual research framework that served as a guide for data collection (resulting in the derivation of the research instrument) and analysis (yielding emergent themes and interpretation of core themes).

Chapter Three described how the methodology employed in this study was implemented per the practical requirements of the fieldwork. The chapter explained the research methodology, including the research process, ontology and epistemology, research approach, research strategy, and research design. Furthermore, the methods by which the investigation attends to procedural rigour and the significance of empirical evidence were deliberated.

The fourth chapter of the research work presented and analysed the empirical evidence and data obtained from the study. The text examines the concept of data reduction and the transparent processing of meanings in the face of a large volume of empirical evidence. The study ultimately defined the emergence of themes from initial themes and, subsequently, the discovery of core concepts by applying an abstraction process to the profound in-depth knowledge gathered from participants via interviews.

Chapter Five expounded upon the core concepts derived from the preceding chapter's findings. This chapter concludes with the formulation of a theoretical hypothesis. The structure of the report is organised into two main sections. The first section presents the findings about the secondary research questions or objectives. The second section presents the primary research question or aim/goal findings. The study concluded with the formulation of a theoretical framework. This framework represents a novel contribution to the existing body of knowledge and is based on the core concepts and themes that have emerged from the data analysis and presentation.

The constraints of purposeful sampling were taken into account when analysing the results. Furthermore, the interviewing procedure was assessed in line with the phenomenological method. Following the ethics policy, questions useless for eliciting participants' expertise will be eliminated.

The current reading material pertains to Chapter 6, which comprises the conclusion and recommendations section. This section provides a retrospective analysis of the research objectives and critically reflects on them.

6.2 The Research Objectives Revisited

The research objectives are comparable to the research activities or smaller-scale projects undertaken to gather data during the research process. These are succinct and definitive statements that provide direction for the research process. Upon concluding the examination of the phenomenon in the context of social inquiry, it is imperative to revisit how it was approached. As a result, the following sub-section is deemed necessary.

6.2.1 Reflections on the Research Objectives

The objective of the study was accomplished by considering the following research objectives:

Objective 1:

To determine how organizational ambidexterity enables innovation in South African digital platforms

Outsourcing allows Fintechs to meet customer needs quickly, making it easier to scale up or down operations as needed. Fintechs are characterised by their flexibility, agility and quick turnaround times. This outsourcing allows them (Fintechs) to redirect resources to areas with higher potential for return while cutting back on those with lower prospects. Fintechs achieve organisational ambidexterity by emphasising the company's core strengths and thus enhancing its competitive advantage and contracting out time-consuming/ complex and

technical operations to external service providers. Fintechs will, in turn, boost their strategic flexibility and growth

Objective 2:

To investigate how exploitative innovation influences the sustainability of South African digital platforms

Fintechs can define and measure key performance measures (KPIs). Progress against these should be monitored periodically to ensure adequate progress and remediating when necessary. Lines of communication should be open and transparent to ensure lagging KPIs are developed through the appropriate training interventions. This may also allow Fintechs to maximise the use and benefits of the new technology.

Objective 3:

To analyse how explorative innovation influences the sustainability of South African digital platforms

The financial services industry in South Africa is witnessing a surge of innovative start-ups utilising cutting-edge technology to enhance inclusivity—improvements through technological growth, lower data prices, and better rules and regulations. The Fintech industry is anticipated to experience significant growth in the coming years, particularly in Blockchain and cryptocurrency technology, payments, and wallets. South Africa is considered an attractive Fintech market due to our comparatively larger economy and technological infrastructure. In the foreseeable future, Fintechs and South African established banks see new technologies like Blockchain, cryptocurrencies, biometrics, and AI as key investment opportunities.

6.3 Recommendations and Future Studies

It is recommended that researchers exhibit awareness in addressing this complex and evolving social phenomenon. The following areas and concepts are suggested for additional research:

- Understanding how the lack of stable infrastructure (power supply) affects the adaption and utilisation of emerging technologies for Fintechs.
- Are Fintechs absorbed by the banking incumbents able to maintain and fulfil their essence of financial inclusion and
- What are the missed opportunities for market penetration and product development for Fintechs due to the cost of compliance?
- This study can be replicated by other researchers utilising the quantitative research methodology to explain and reveal the causal connections between the formulated theory's independent and dependent variables that encompass fundamental concepts.

The research is finished in the next section

6.4 Conclusion of the Study

The study has effectively conveyed and facilitated comprehension of the social process through research. The research topic can be identified by identifying the keywords that constitute it.

The subsequent section used relevant keywords, discussed the contextual backdrop of the research problem, and pinpointed theoretical and practical gaps in the existing literature and the current state of the Fintech landscape, current usage of the exploitative innovation and possibilities to explore future innovations.

Subsequently, the research objectives were introduced to respond to the gaps and queries that motivated the study.

The research analysed a comprehensive survey of academic scholarships and theoretical underpinnings. The study's methodology was explicated, and it employed the Husserlian phenomenological approach to extract insightful information from stakeholders' lived experiences. The study used a phenomenological approach involving purposive sampling to identify the structure of experiences described by the research participants. This methodology contributed to the enrichment of the empirical evidence collection and analysis. Additionally, the development of the innovation process was examined and comprehended through the analysis of empirical data on fundamental concepts. These concepts were organised under primary and secondary research inquiries, ultimately leading to the formulation of a theoretical framework for the study.

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APPENDIX A: PARTICIPANT AGREEMENT FORM



Dear Sir / Madam,

My name is Tshepiso Mogari, and I am a Masters student in Digital Business at the University of the Witwatersrand, Johannesburg. As part of my studies, I have to undertake a research project, and I am exploring **Organisational ambidexterity, dynamic capabilities and the sustainability of South African Fintech platforms** under the supervision of Prof. Nixon Ochara. This research project study aims to understand and empirically describe how Organisational Ambidexterity and Dynamic Capabilities influence sustainable digital platforms in South Africa, more specifically how does organizational ambidexterity enables innovation in South African digital platforms

As part of this project, I would like to invite you to participate in a one-on-one interview. The interview will involve an online meeting (MS Teams) and take between 30 to 60 minutes. With your permission, I would also like to record the interview using the relevant platform. This recording will be stored in the appropriate medium (e.g. MS Teams), and only the researcher will have access to this recording. It will be deleted a year after completion of the qualification.

There will be no personal costs to you if you participate in this project. You will not receive any direct benefits from participation, but there are no disadvantages or penalties if you do not choose to participate or withdraw from the study. You may withdraw at any time or not answer any questions if you do not want to. The interview will be completely confidential and anonymous, as I will not be asking for your name or any identifying information, and the information you give to me will be held securely and not disclosed to anyone else. I will be using a pseudonym (false name) to represent your participation in my final research report. If you experience any distress or discomfort at any point in this process, we will stop the interview or resume another time.

If you have any questions during or afterwards about this research, feel free to contact me on the details listed below. This study will be written up as a research report, which will be available online through the university library website. If you wish to receive a summary of this report, I will be happy to send it to you (optional). The data collected from this research project will be stored in a relevant online platform (MS Teams) and will be kept for a year after

completing the qualification. With your permission, the data collected from this research project may be used by other researchers in an anonymized format. If you have any concerns or complaints regarding the ethical procedures of this study, you are welcome to contact the University Human Research Ethics Committee (Non-Medical), telephone +27(0) 11 717 1408, email hrecnon-medical@wits.ac.za

Yours sincerely,
Tshepiso Mogari

Researcher:
Tshepiso Mogari, 304338@students.wits.ac.za, 078 962 0909

Supervisor:
Nixon Ochara Nixon.ochara@wits.ac.za, 011 717 3543

APPENDIX B: ETHICS CLEARANCE CERTIFICATE

Graduate School of Business Administration
University of the Witwatersrand, Johannesburg



Wits Business School Ethics Committee
Constituted under the University Human Research Ethics Committee (Non-Medical)

Ethics Clearance Certificate

Ethics protocol number: WBS/DB304338/113

This certificate is only valid with a legitimate ethics protocol number and signed by the Researcher (below).

Project title	Organisational ambidexterity, dynamic capabilities and the sustainability of South African fintech platforms
Investigator / Researcher	Miss Komane Mogari
Nature of Project	MM (Digital Business)
Decision of the Committee	Approved, provided stakeholders and participants are guaranteed confidentiality.
Issue Date of Certificate	2023-01-27
Expiry date	Date of submission of the project / research report
Chairperson	Dr Pius Oba  +27 11 717 3976  +27 82 733 6587  pius.oba@wits.ac.za

Declaration by Researcher

One copy must be signed by the Researcher and returned to the Chairperson of the Wits Business School Ethics Committee.

I fully understand the conditions under which I am authorized to carry out the abovementioned research and I guarantee to ensure compliance with these conditions. Should any departure to be contemplated from the research procedure as approved I undertake to resubmit the protocol to the Committee.

Signature

30 January 2023

Date:

APPENDIX C: PERMISSION LETTER



Research Consent Form

Organisational ambidexterity, dynamic capabilities and the sustainability of South African Fintech platforms

I, ... confidential info....., agree to participate in this research project. The research has been explained to me and I understand what my participation will involve. I agree to the following:

(Please circle the relevant options below).

I agree that my participation will remain anonymous	YESX	NO
I agree that the researcher may use anonymous quotes in his / her research report	YESX	NO
I agree that the interview may be audio recorded	YESX	NO
I agree that the information I provide may be used anonymously after this project has ended, for academic purposes by other researchers, subject to their own ethics clearance being obtained.	YESX	NO

Blocked due to confidentiality (signature)

and anonymity (name of participant)

30 January 2023 (date)

(signature)

Komane Mogari (name of person seeking consent)

30 January 2023 (date)

APPENDIX D: RESEARCH INSTRUMENT

General	Can you please share a brief summary about business (industry, type of products, number of employees)
	How long have you been operating?
	Who are your key competitors?
Sustainability	How have you defined and measured the sustainability of your business?
	Who are your primary and key stakeholders?
	What is the shared value across your stakeholder engagement?
	How can digital transformation assist sustainability improvement?
	How has digitisation positively affected your organisations sustainability?
OA	What positive societal and environmental changes, if any, have you implemented through sustainable digital transformation?
	How do you balance current incremental innovation to create efficiency and long term strategic innovation?
	Can you share an instance when you failed balancing between the current and long term innovation?
EI1	What learnings can you share from previous innovation experiments?
	Innovation from existing assets: how are you using technology to exploit utilisation of your current assets?
	What improvements and refinements have you been able to implement to create efficiency in the last 2 years?
	How have you considered incremental product changes?
EI2	How do you measure your return on investment?
	What new markets would you explore and why?
	Have you considered new product development and expansion, please elaborate?
	What digital technologies have you considered for the medium to long term (3-5 years)?
DC	How would these technologies be operationalised
	How do you identify and assess opportunities outside your company?
	How do you mobilise your resources to capture value from those opportunities?
	How you do plan on renewing and rebuilding your competences and resources?
	How do you think rebuilding your resource competencies will be relevant to consumers?
DC	What new niche skills would you love to acquire to possibly fulfil external or new opportunities, using existing resources innovatively?

APPENDIX E: EXAMPLE OF TRANSCRIPTION

Research interview-20230208_110635-Meeting Recording

 Fri, Apr 21, 2023 . 8:36 PM  49:51  Owner: Tshepiso Mogari

SUMMARY KEYWORDS
payments, money, people, bank, buy, merchant, called, big, ai, understand, overheads, eft, end user, company, south africa, product, credit card, existed, system, months

SPEAKERS
Speaker 2, Tshepiso

 **Tshepiso Mogari** 0:02

worry about the business types of products, how long it's been operating? You touched on that that was since 2014. And who are some of the key competitors in that space?

 0:14

When we started or now?

 **Speaker 2** 0:23

Okay, so V fast, which is owned by DPO. I see them ultimately branded. So it's both fast and big data, sorry, engages them. So DPO decided to that they wanted to do Pan African approach on payments. But they couldn't decide how we did the conduits through. So they bought a company called Pay gate. I'm sorry, you said the most relevant, but I have to give you some of them to give you this. Yeah. Yeah. So they, they basically bought a big chunk of big data and give them a bunch of money. It was quite a few years ago, I think probably about 2016 have stuff to check for. I mean, you can search online with acquisition effort. And what that I think, from South African perspective, they say we don't have an industry that we actually export to the world. I think payments is one of them. Unofficially, if you look at PayPal, we can still claim in the South African. And look from an African context. All the big payment companies are coming out of your ego based stack and flutterwave in Nigeria. A lot of the brains behind it's also coming from South Africa and then working there are banking system is way more advanced than the states. Some European places. So I mean, it's, that's that's been was hope for DPO, which is a Kenyan company, they decided to come to South Africa and use a South African company to take it forward. We just gave them a bunch of money. What they gave then did was basically buy out all the competitors. So there was one called said gum at the time, there was my gate. I think those are the two big ones that existed and then recently, they bought both fast as well. The only differences by fast chose to maintain the brand, but they still own by by late everybody else got them. So by that. So if you look at the space by gate, basically cleaned up shop, they cleaned up over competitors, and then they select the state then you got the light of day you just landscape wise, were we talking the entire Africa world, that Africa, South Africa only. So you got a gate, you've got BU, which is Naspers payments arm. Then you got what do you do? Ma, Mo they also did a bit of a cleanup. So they got some big money. They took sure swipe. There's another company that they they bought wire guard wire guard run ran into a bit of trouble. So they were a European company and some fraud app in there. So they had to shut down with

2 Speaker 2 19:03

Money come in. It was a numbers game and also a land grab, you know, you in in South Africa, in particular, was just trying to get all the big retailers. We knew once we got take a lot, we will be good. Sports betting was a big play for us. Okay, so we got every single sports betting company in the country. I think there's maybe one or two that's missing, and there's a few new ones that's popping up every few months. But suppose maybe it wasn't a play. Online shopping was a big play. And when we went into COVID it was how do we help people digitize themselves because if we enable them they when they are successful It helps us. So we actually gave away free processing to anybody that processed under a million. Okay. And then once they got over a million, they would stick with us. They it's that reliance on the system. Okay, so we viewed it as deemed ready.

T Tshepiso Mogari 20:20

And that started roundabout call the time.

2 Speaker 2 20:24

No, we did that in 2018. already. Okay. Government posted that immensely.

T Tshepiso Mogari 20:31

Okay. And I guess that's part of like your socio economic giving back. I don't know mantra, or those are just part of general business strategy.

T Tshepiso Mogari 23:53

it's a tough one, but just giving practical examples. I don't know within your your your value chain. Maybe you introduced AI to create efficiency in terms of quicker turnaround times or, yeah, machine learning or Yeah.

2 Speaker 2 24:12

Yeah. So the reason why I say as opposed to because I feel we've always been digitized, right? Yes, yes. We've always been using that screen scraping because there's no bank wants to share that information with anybody. We've had to resort to screen scraping. And that's essentially that's the demonized word of it, though. This more elaborate words. We've come up with HTML parsing, open API's. We've given a better name so it couldn't be demonized, but it is screen scraping, which is essentially you write a bot that acts on behalf of the user. So you putting a user friendly, four step process in the front and those four steps are what bank you bank with identify yourself by giving us your banking details, authenticate yourself, then all the information on the payment gets taken from the merchant, pre populated. And then it's just confirming what the user is this the payment, you want to do authenticate done, just those four steps. And this is why it's a lot easier to deal with that point and going through your bank normally. And then the proof of payment is all sent in the back end. And that's all through us, because this stuff's a third party. So we have to implement that part of the back. So I can't call it I can maybe call it machine learning. And honestly, the older we looked at AI, we looked at blockchain, we looked at stuff that we could you know, all the passwords that were being thrown around. And honestly, they were just passwords. There was no practical implementation, put it in, there's no need for a normal database still sufficed. on machine learning. We did do some machine learning in the so you got sage maker and stuff. And then from data and analytics, I definitely the something called Facebook profit, which we

APPENDIX F: EXAMPLE OF THEMATIC ANALYSIS

Tshepiso Mogari

I think with you, it's more about your involvement within the FinTech industry or are you actually part of a FinTech organization? How long have you been in that space and any key competitors? Okay,

so I think there's, there's two parts to this that can help you. The first part is the core business, which is 10 to the cloud. So I'll give you an overview of that. And then we'll jump more into the FinTech side of it. So 10 to the cloud is a leading executive search firm, we specialize in placements within the FinTech and payments sector. We've been around since 2017, I believe. We did a massive drive in 20, whereby we help numerous individuals in correcting or writing CVS and LinkedIn profiles in order to offer their skills in the correct way to a COVID effective market. And then back in 2001, again, we started offering guidance on putting your best foot forward. So our main concept within the business is to successfully and sustainably grow the FinTech talent pools and thereby growing the industry as a whole. So that's 10th in the cloud, and how we assist fintechs on on that space. Second to that I am part of the FinTech association of South Africa, which was officially launched last year in July, the purpose of that body is to unite all the FinTech players and sub sectors into one orchestrated body. So you know, whether it's remittance, whether it's payments, digital banking, cryptocurrency, we want to be a voice as an industry whole, for those organizations that can't approach regulators or, you know, the Reserve Bank or whatever with individual concerns, but rather would be heard if they were represented by a body. And I've been subtly involved in that from launch in July last year, and now in 2023, have officially become one of the members where my key skill set would probably be to assist on the operational side of things.

Tshepiso Mogari

Thank you. Thank you. Okay, um, and how digital transformation assist in ensuring sustainable improvement?

Well, actually, I think it can play a significant role in improving sustainability in quite a few ways. So I'll run through them quite quickly. I think resource efficiency. So digitization is helping a lot of organizations specifically in FinTech optimize the use of resources, you know, making sure that they reduce waste, whether their feet in time or in physical form, by enabling efficient and automated process. You know, so just as an example, okay, FinTech itself, you know, coming into the banking space, that's starting to reduce paper or paper usage, okay, therefore, affecting the supply chain, and kind of positively enforcing the change that comes with environmental sustainability. So in that way, resource efficiency. Secondly, I think in sustainable mobility, so digital technologies, you know, whether that's ride sharing smart systems used for payments. Transportation systems that are changed towards the digital way of work. That is, obviously works again towards environmental sustainability, you know, greenhouse emissions stamping, etc, etc. And I think that FinTech again, is a massive player in that given the type of market. Okay. And then lastly, I think digital transformation changes sustainability based on increase awareness. So digital technologies, because everyone who is born nowadays is pretty much born with a cell phone in their hand, they're already made aware of sustainable issues. They have information at their fingertips, there's data everywhere around, they see the social impact of negative sustainability, and digitization of all of these things that are now kind of readily available to people have increased awareness to the point where it's probably going to change how future generations behave and how they act towards certain things.