

The role of strategic agility towards the firm performance of logistics service providers in Indonesia

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ABSTRACT

Competition in various companies encourages practitioners, entrepreneurs, and academics to examine the dynamization of business models. The dynamic study of this business model was driven by its dynamic environment. Dynamic moving environments require companies to be adaptive as quickly as possible. This adaptation encourages different firms to perform a certain strategy of excellence in the face of competition. Strategy Agility becomes a study of practitioners and academics due to its ability to predict and capture opportunities. One of the service industries faced with the dynamic environment within the company is the Logistic Service Provider. Fierce competition, the dynamic type of service, and rapidly changing technology encourage enterprises to always be agile in determining the direction to the business. The purpose of this research is to get a model of the relationship between strategic agility and competitive strategy as a moderator for the improvement of the firm performance. Methods used are quantitative methods. The research results describe the direct relationship between strategic agility and competitive strategy to the firm performance. However, when the competitive strategy is made as a moderator, strategic agility shows a negative effect.

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1. Introduction

The state of the business competition environment is moving quickly. Speed is generated by the ease of community interaction. Community mobility and information lead to a rapidly changing need and desires of society (Roth, 1996). Information is already a necessary resource for the creation of the value of a product or service. Information searches on various online networks are simultaneously performed at high speeds. The results of this information search help different tools accelerate the strategy (Roth, 1996). An agility strategy is required in fulfilling consumer desires. The term agility first appears on the operational level and is applied to the manufacturing model. Manufacturing Agility occurs since there is a change in implementation of production resulting from the product that consumers want to change rapidly. Business-level strategies are normatively structured for a certain period. However, when things change, the strategy should be adaptable. The strategy could certainly not accommodate managerial interests when the environment demands to choose quickly and appropriately (Soule, 2002). The demands for decision making are considered to be very good when the company can be agile in a strategic direction to survive the competitive market (Olavarrieta & Ellinger, 1997). Researchers are trying to find a model for the company to be agile in the face of short-term changes. The theme of strategy for almost a decade was discussed in business strategy. The evolution of agility on the level of business management occurs due to the high speed of decision change activity

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every time (Sambamurthy, Bharadwaj, & Grover, 2003). Each functional unit is integrated and becomes a supporter of the company's capacity to take action that is dynamic, fast, and precise. Strategic agility is required by all types and classes of companies to adapt to the environment (Widjajani & Nurjaman, 2020). Various models were developed and proposed as a research framework. An agility position is a concept that helps firms in the face of an unpredictable environment (Rick Dove, 1992). In its development, strategic agility can provide understanding and agenda to managers to improve the performance of strategies (Doz & Kosonen, 2010). In some research operations, there are various models and techniques. The approach of some research results in the best model integration. The critical model required in today's business environment is strategic thinking and action and entrepreneurship. Entrepreneurship always look for continuous opportunities. Environmental monitoring is used to exploit all possible opportunities that add value. Exploitation knows no boundaries. Opportunity information is integrated to generate various considerations in decision making (Widjajani & Nurjaman, 2020). One of the business areas affected by its dynamic environment is a company engaged in the logistics service provider. Logistics activities provide space for entrepreneurs to provide one of the services or integrated services (Langley, Allen, & Dale, 2004). Logistics services emerge since many companies concentrate more on core business activities. Logistics activities are handed over to the service providers. The company provides a standard of handling and evaluation of logistics handling (Virum, 2001). Handling logistics activities submitted to the Logistics Service Provider are expected to accelerate the introduction of new products and provide satisfactory service to consumers (Lai, 2004). Most companies have experienced that using logistic services companies contributed to lowering costs, improving efficiency, and effectiveness (Chin, 2007). Logistics activities are physical flow management and item information from one point to another in a system for the end consumer (Christopher, 1986; Lambert, 1992). Logistics service providers include transportation services, warehousing, shipping document management, and other logistics activities (Berglund et al., 1999; Virum, 2001). Operational activities conducted by logistic service providers include part or integration of retrieval, consolidation, storage, handling, reloading, tracking, and monitoring of the movement of goods (Virum, 2001). The development of logistics operations underwent a dynamic change. Almost all users want an integrated logistics management service and can provide service space to specific items (Virum, 2001). The dynamic supply chain environment enhances competition among logistics service companies (Schmoltzi & Marcus Wallenburg, 2011) accelerating the flow of information and technology that supports it encourages companies to change the direction of business strategy at any time. The condition resulted in price components are no longer relevant as benchmarks as the competitiveness. Competitiveness can be obtained by achieving a market share. Competitiveness can also be obtained by involving strategic interests (Kersten & Koch, 2010; Kersten & Koch, 2010). The strategic attention of logistics providers is fixed in the competitive environmental change so that companies are required to have the agility to defend their business (Olavarrieta & Ellinger, 1997). The research framework is based on business strategy, especially in determining the achievement of company performance. Further research frameworks are focused on the strategic agility role in business strategies for the improvement of the company's performance logistics service providers.

2. Literature review

2.1 Logistic Service Provider and Firm Performance

Manufacturing companies are faced with the complexity and tight market competition. Facing such circumstances, the company concentrates on increasing competitiveness and competitive advantage. The other activities are not supporting the market done by outsourcing. One of the activities submitted to the third party is logistics operational activity. The submission of logistics activities makes growing opportunities for logistics services company (Virum, 2001). In addition to self-concentrating, some large companies have high logistics intensity so it is impossible to set them. Through logistics, services are expected to improve the effectiveness and performance of supply chains (Panayides & So, 2005). In the essence of logistics activities as part of the supply chain is the combination of the activity management activities of raw material into the final product to the user (Stefansson, 2006). Logistics services are activities that connect suppliers and customers. The ability assessment of logistics service providers is obtained from the consistency of delivery of products with delivery time and costs according to the agreement. Of course, the connectedness will give success in the supply chains (Stank, Goldsby, Vickery, & Savitskie, 2003; Panayides & So, 2005). They state that there is a common perception that the logistics service provider's connotation is similar to third-party logistics services. A third-party logistics service is an institution to reduce performance overlap in the functions of each logistics path (Poist, 1986). Third-party logistics services are activities that carry goods from other companies as senders by providing full power to the management of the integrated sender in the cooperation in a certain period (Carbone & Stone, 2005). The third-party logistics services industry is regarded as activities with management, analytical and design activities to examine the linkages, interests, and evaluations that are detached from the shipper's material or goods. The provision and quality of logistics services differ from the materials or goods themselves. The nature of the relationship between service providers and customers is based on the nature of service provision and not on the quality of materials or goods (Stank et al., 2003; Carbone & Stone, 2005). Study results found that in understanding the marketplace, and the ongoing development and growth of third-party logistics services include service offerings and technology, management and relationship issues, customer value, strategic directions in the future (Langley et al., 2004). Value creation for logistics service providers can be added through operational activities comprising, operational efficiencies, consumer operational integration, vertical or horizontal integration, and supply-chain management integration (Lai, Edwin Cheng, & Yeung, 2004; Carbone & Stone, 2005). The study of the logistics services company makes the business model. The types and tiers of Logistic Service Providers can be seen in Fig. 1 (Langley et al., 2004). In general operations, third-party logistics services conduct management, analytical and design activities related to transportation and warehousing such as inventory management, information-related activities, and tracking, as well as the value-added activity's secondary product assembly

and supply-chain management (Carbone & Stone, 2005; Stefansson, 2006). Even so, from a variety of research sources, the model's business evolution tiers of logistics service providers are still in debate. However, at least, it can be an initial guide in determining service options for consumers.

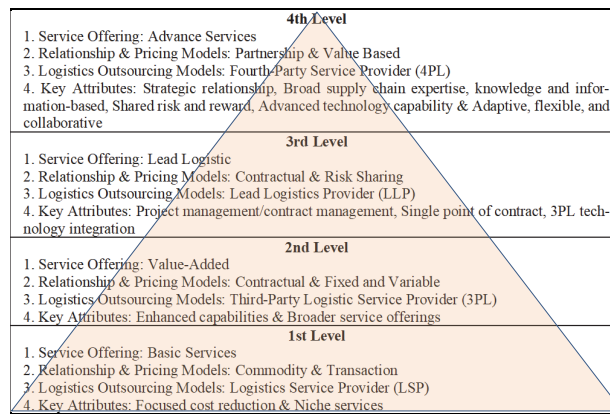


Fig. 1. Logistic Services Provider Level (Adapted from Langley et al., 2004)

The competitiveness of third-party logistics services depends on the ability to provide added value to consumers. Third-party logistics services can perform effectively through cooperation with sustainability in the implementation of managerial, understanding the end consumer and introducing the innovation of business models (Panayides & So, 2005). The increasing complexity of supply chain activities encourages the Company's principle to use logistics services. Looking at the expanding tendency of users of logistics services encourages third-party logistics service firms to complement the business model. In addition to maintaining business relationships with its principle, logistics companies establish cooperation in logistics management to maintain the effectiveness of the service (Jharkharia & Shankar, 2007). Generally, every company must have competitive competitiveness in order to compete with other companies. Competition in the market will require strategy (Romat Saragih, Rahayu, & Wibowo, 2017). In this research, the framework that will be discussed refers to strategy management. Strategy Management is a set of actions that make decision making for business units to achieve and maintain a competitive advantage (Wheelen, Hunger, Hoffman, & Bamford, 2018). Consideration of the Company's competitive advantage in business is a top priority to achieve a competitive advantage. Of course, consideration is done in the geographical sphere so that companies can face global competition (Stock, Greis, & Kasarda, 1998). Competitive advantage is derived from low-cost or differentiation. Both types of competing advantages can be varied in the scope of the strategy search process to obtain the company's performance. The result of this combination is also called "generic" competitive strategies that are expected to outperform competitors that are through overall cost leadership, differentiation, and focus (Porter, 1985). Cost leadership is the ability of a company or a business unit to design, produces, and markets a comparable product or service more efficiently than its competitors. The unique and superior value that the company afforded to buyers is often referred to as differentiation. For example, the company is given such a product quality, special features, adequate information, or after-sales service. While the company's ability to deliver unique and superior values to specific groups of buyers, specific market segments or markets based on a specific geographic is often referred to as focus (Wheelen et al., 2018). Consumers choose service services when the provider is viewed as credible. Some research conducted the analysis with the theme of determining logistic service provider selection. Selection of logistic service providers consider based on the criteria clause for arbitration and escape, performance measurement (Jharkharia & Shankar, 2007), quality of service ability of response, speed and punctuality, expertise technology (Chen & Wu, 2011), freight price, financial stability (Çakir, Tozan, & Vayvay, 2009; Chen & Wu, 2011), terms of payment, extra costs, market knowledge, compatibility, cost of relationship, Size and quality of fixed assets (Çakir et al., 2009), flexibility in billing and payment, quality of management, employee satisfaction level, flexibility in operations and delivery, information sharing, quality of management, (Çakir et al., 2009; Jharkharia & Shankar, 2007), Surge capacity (Jharkharia & Shankar, 2007; Chen & Wu, 2011), range of services provided, IT capability, delivery performance, market share, geographic spread and access to retailers, experience in similar products, and willingness to use logistics manpower (Çakir et al., 2009; Jharkharia & Shankar, 2007; Chen & Wu, 2011).

2.2 Strategic Agility and Firm Performance

The first challenge of strategy is to benchmark the best strategy expert is to explore all the options. Corporate strategy is defined as an activity within the company to gain a competitive advantage (Barney & Hesterly, 2015). The Strategy has related to the continuous creation of decisions for future businesses (Wheelen et al., 2018). The second challenge of strategic agility that allows environmental dynamics conditions to make the company's comfort (Soule, 2002). Many dimensions contribute to the company's agility strategy. Such dimensions include customer-based, trademark, core competencies, employee capabilities, and infrastructure. Organizing and coordinating these dimensions into a unified resource group results in company performance (Weill, Subramani, & Broadbent, 2002). Managers can use one or more capabilities to proceed or replicate a fast-global competitor. Armed with various abilities, the manufacturer will be better prepared for the change ahead (Roth,

1996). This new paradigm is recommended as a strategy to make the company active in maintaining the position of its competitive advantage (Sharifi & Zhang, 1999). The term of agility is almost equal to flexibility (Teece, Pisano, & Shuen, 1997). Agility is a dynamic organizational design capability that can feel the need for good changes from internal and external sources, make regular changes, and maintain performance above average. (Cummings & Worley, 2009). Agility can respond rapidly to changing markets driven by product valuation and customer-based services. Strategic principles that define the scope of agility that is competition agility, integration of people and information, competitive ability, and value-based (Nagel & Bbargava, 1994). Strategic Agility has become contradictory and difficult to solve for corporate leaders and executive teams when still oriented to static environments. Strong strategic commitments can help companies gain momentum toward the destination in the event of technological disruption, changing market conditions or unexpected competitors (Y. Doz & Kosonen, 2008). Strategic agility involves not only the allocation of resources for the development and deployment of dynamic capabilities, but it also remains nimble by balancing those capabilities dynamically over time. (Weber & Tarba, 2014). The three main dimensions of the framework developed are in strategic agility namely strategic sensitivity, leadership unity and resource fluidity. Strategic sensitivity is an external and internally oriented strategy process. The model dimensions for strategic sensitivity are anticipating, experimenting, distancing, and abstracting. Leadership unity involves the ability of a top team to make bold decisions quickly. The model dimensions for the unity of leadership consist of dialoguing, revealing, integrating, align in, and caring resource's fluidity involve internal ability to reconfigure business systems and move resources rapidly. Dimensional Model for the fluidity of resources consists of Decoupling, Organize by Customer/segmentation-based value domain, Modularizing, Dissociating, Switching, and Grafting (Doz & Kosonen, 2010). In addition to the three dimensions, there are other dimensions in the assessment of strategic agility. The dimension is collective commitment. Sub Dimensions of Collective commitment generated cultural acceptance or cultural learning partners as a determining bridge of knowledge transfer (Junni, Sarala, Tarba, & Weber, 2015).

3. Conceptual Model and Research hypothesis

Strategy Management is a set of managerial decisions and actions that help determine the long-term performance of an organization. Such actions include environmental monitoring (both external and internal), strategy formulations (strategic or long-term planning), strategy implementation, and evaluation and control (Wheelen et al., 2018). Strategic Agility is the ability of the strategy to achieve the company's performance. Simultaneously, the dimensions in strategic agility can simultaneously predict the performance level of the company (Ofoegbu & Akanbi, 2012). A study activity on strategy variable operations can be referenced against competitors, customers, suppliers, partners and governments enabling better performance prediction results (Turban, McLean, & Wetherbe, 2008). The competitive strategy aims to obtain a good form of performance in the form of competitive advantage and superior performance of the company. So the proposition about the relationship between Strategic agility, competitive strategy with Firm Performance can be compiled as follows:

H1: Strategic Agility impacts on firm performance.

Strategic Agility is an activity and the ability of the company in absorbing various possibilities for the improvement of the company. Directly several studies with different analysis units showed evidence that strategic agility could affect Firm Performance. However, especially for research unit analysis LSP needs further substantiation.

H2: Strategic Agility has a relationship to competitive strategy.

At this, the proposition has not found an article that discusses the relationship between competitive strategies with strategic agility. Some articles conceptually had expressed by stated that strategic agility and competitive strategy could have an impact on firm performance. However, as it is stated that strategic agility provides the ability for the company's activities to improve its performance. Thus, the strategy activity contained in strategic agility is used as the corporate strategy capability. So it is predicted to be assisted and strengthened by competitive strategy.

H3: Competitive strategy has a cam to increase firm performance.

Various literature and research had been proposed stating that competitive strategy is a collection of activities in decision making to improve superior performance. In this study, it will be proved that competitive strategy can affect firm performances in the LSP Analysis unit.

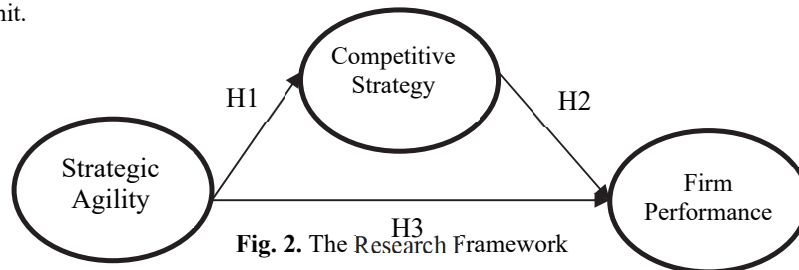


Fig. 2. The Research Framework

With the proposition then the operationalization of variables in this article is certainly based on a review framework established by some researchers of the various articles that no one discussed strategic agility in the company of logistics service providers. The conceptual framework offered can be seen in Figure 1. The previous research and analysis unit that became the research object can be seen in Table 1.

4. Methodology

4.1. Questionnaire and Measurement scale

According to some articles, discussing the decision of selection of logistics service providers obtained the ability to make criteria. The competitive strategy dimension that will be the assessment measuring instrument adopts the value contained in the capabilities of LSP. Compliance variables can be seen in Table 2. The measurement scale is given in competitive strategy and strategic agility variable dimensions with a range of 1 to 5. The measurement size for firm performances is in the form of percentages.

Table 1

Past studies

Author	Contribution	Analysis unit	Finding
Bruegger et al., 2014	Strategic agility role in corporate integration results from acquisitions	Case in several companies	Exploration result of agility predominantly through large firms in ICT Industries
Vecchiato, 2015	Assessing the value created through corporate foresight: linkages between environmental uncertainties, first-mover advent. Results indicate the direction the business is pillar communication these society ages, and organizational memory	Framework Model	Three different research streams: The literature on environmental uncertainty, a concept which we carefully re-examine in this paper; The literature on strategic planning and first-mover advantages The Literature on organizational learning and organizational memories.
Junni et al., 2015	Strategic agility role in acquisition performance	Finnish companies	The effect of strategic sensitivity in acquisitions (represented by the identification of target firms with complementary or asymmetric knowledge bases) on PMI knowledge transfer. He affected resource fluidity in acquisitions, as captured by a high level of integration, on PMI knowledge transfer. Acquirer knowledge transfer contributed to performance following the acquisition.
Kale et al., 2018	Strategic agility role as mediation between the absorptive capacity relationship to firm performance	Tourist accommodation establishments	The two dimensions of absorptive capacity (acquisition and use) on firm performance, the acquisition dimension was concluded not to have a direct effect. Strategic agility affects firm performance. Firm performance increases when establishments respond to environmental and technological changes rapidly and adapt and change strategies quickly according to customer expectations and competitors' moves.
Lungu, 2018	Strategic agility role in business performance	Telecom industry	The Result indicates the direction of the telecom business which is a pillar in communication for the global society.
Uğurlu et al., 2018	Strategic agility influence on company 2 Operationalization Competitive Strategic and firm performance (customer retention and Innovative performance)	Manufacturing firm	The technology capability and internal alignment affect the firms' performance; collaborative innovation and organizational learning have no effect on the firms' performance.
Wangasa, 2018	The strategic agility of the company's performance	A commercial bank in Kenya	Organization dimension factor, people dimension factor, technology dimension factor, and planning have the great effect of the performance of the commercial bank in Kenya
Clauss et al., 2019	Strategic agility role towards business model innovation with the intervention of environmental turbulence in the influence of the Firm Performance	Electronics industry	The value proposition and value creation have positive relationships with firm performance; value capture innovation was, in fact, negatively related to firm performance. The hypothesized positive relationship between value creation innovation and firm performance is supported.
Arokodare et al., 2019	Strategic agility role in firm Performance by relocating organizational culture as moderation	-	Research Framework
Widjajani & Nurjaman, 2020	The Framework of Strategic Agility in Small and Medium Enterprise	Small and Medium Enterprise	Strategic agility as a moderating for connection between Entrepreneurial Capability and Business Performance

Table 2
Variable Operationalization of Competitive Strategy, Strategic Agility, and Firm Performance

Sub Variables	Competitive Strategy Indicators (LSP Capability)		Sub Variables	Strategic Agility		Firm Performance Indicators	
	Indicators	Symbol		Indicators	Indicators Symbol	Indicators	Indicators Symbol
Cost leadership	Extra Costs (Cost of relationship)	C1	Strategic Sensitivity	Anticipating	S1	Asset Growth	A
	Financial stability	C2		Experimenting	S2	Employee Growth	E
	Freight Price	C3		Distancing	S3	Return of Investment	R
	Flexibility in billing and payment	C4		Abstracting	S4	Costumers	S
Differentiation	Compatibility (adaptation)	C5	Leadership Unity	Dialoguing	S5	Satisfaction	
	Range of services provided/Ability of response	C6		Revealing	S6		
	Clause for arbitration and escape	C7		Integrating	S7		
	Speed and punctuality (on time) logistic operation	C8		Aligning	S8		
	Experience in similar services	C9		Caring Resource	S9		
	Surge capacity	C10		Decoupling	S10		
Focus	Expertise technology of supply chain	C11	Resource Fluidity	Organize by customer	S11		
	Flexibility in operations and delivery	C12		Modularizing	S12		
	IT capability	C13		Dissociating	S13		
	Willingness to use logistics manpower	C14		Switching	S14		
	Size and quality of fixed assets	C15					
	Market knowledge (Market share, Geographic spread and access to retailers)	C16					

4.2 Sample Design and Measurement Test

Sample withdrawal is based on applying the purposive sampling method and the necessary information are obtained from specific target groups. Sampling here is limited to certain types of analysis units either because they are the only or according to some criteria established by researchers. The type of purposive sampling design used is sampling assessment. Implementation involves a choice of subjects that are considered the most prominent or at the best position in providing information. Respondents are expected to have qualified knowledge through their own experiences and processes. Design sampling assessments are used when the number of samples and categories is limited with the proprietary information being sought. Sampling assessments can restrict the generalization of findings due to the fact gained that comes from expert samples (Sekaran, 2003). The analysis unit used as the research object is LSP. The selected category is having an integrated operational server.

Table 3
Standardized factor loading, Alpha Cronbach, and AVE

Construct	Cronbach Alpha		Composite Reliability		Average Variance Extracted (AVE)	
	Before	After	Before	After	Before	After
SA	0.912	0.721	0.917	0.834	0.411	0.632
CA	0.905	0.766	0.902	0.850	0.646	0.657
PF	0.848	0.840	0.877	0.087	0.406	0.591

Table 4
Loading factor estimate

Indicator	Loading Factor		Indicator	Loading Factor	
	Before	After		Before	After
C1	0.597		S1	0.756	
C2	0.634		S2	0.630	
C3	0.617		S3	0.716	0.764
C4	0.712	0.621	S4	0.702	0.760
C5	0.722	0.816	S5	0.536	
C6	0.689	0.918	S6	0.430	
C7	0.581		S7	0.570	
C8	0.539		S8	0.434	
C9	0.616		S9	0.683	0.712
C10	0.708		S10	0.504	
C11	0.644		S11	0.633	
C12	0.535		S12	0.777	0.707
C13	0.745		S13	0.547	
C14	0.707		S14	0.834	0.889
C15	0.493		A	0.871	0.882
C16	0.652		E	0.755	0.682
			R	0.830	0.856
			S	0.744	

Connectivity between one logistics hub to the next logistics hub from Consigne until the customer's purpose is managed by one LSP, which has or minimally has logistics facilities and infrastructure. The integration of operational patterns is controlled with information base technology. LSP is best suited as an analytical unit based on the company's ability level, a company with the category Third-Party Logistics (3PL). However, based on the initial search results to the company, associations and other related resources, there are several LSP that already have an integrated operational pattern as well as 3PL. There are some obstacles, so they do not call themselves as 3PL. The intended respondent is the owner of the company or manager which manages the company as a whole in Indonesia. On this occasion, we managed to pull information from 57 LSP with the specified category. The Information of respondent's category has obtained from agencies and related. The statistic testing is using Smart PLS software. At the initial stage of testing the validity and reliability of all the construction qualifies. However, the model is declared invalid because standardized factors loading, and fit model criteria are not met. Thus, the model is repaired by throwing out an indicator that does not meet the FIT model requirements. After the model repairs, the validity and reliability size of Table 3 is obtained. As for the loading factor estimated each indicator can be seen in Table 4. The model repairs are done then the subsequent hypothesis test. The hypothesis test results are obtained as in Table 5.

Table 5
Hypothesis Test Result

	T Statistic	P-Value
Strategic Agility → Firm Performance)	2.323	0.021
Strategic Agility → Competitive Strategy	0.989	0.323
Competitive Strategy → Firm Performance	2.248	0.025

The loading factor and the magnitude of the influence of relations on the final model after repair can be seen in the Fig. 3.

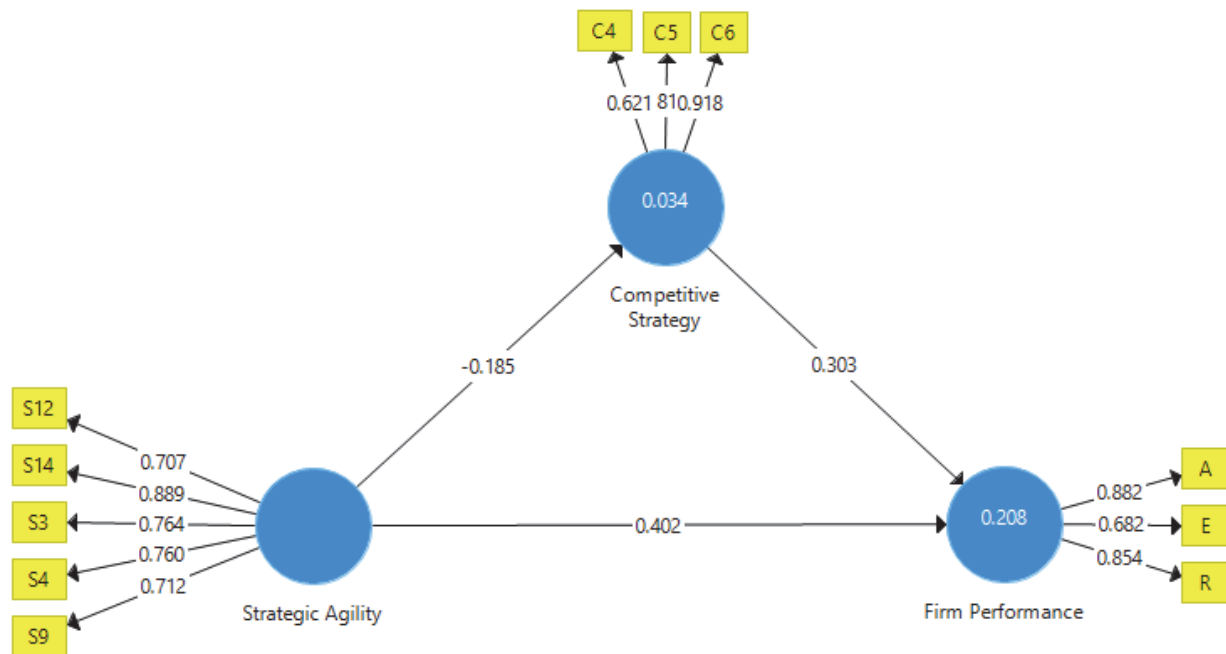


Fig. 3. Factor Loading and R Square

4.3 Result and Discussion

The measurement model has been an influence of the relationship between strategic agility and competitive strategy against the firm performance is simultaneously tested to get a model fit that can be used as a reference to test the hypothesis. Assuming track analysis, all variables can be observed directly. Surely the observation is assumed also not in accordance with the reality, cannot be observed directly, and is latent and multi-indicator and also multi-dimensional. There are many indicators built-in models that cannot necessarily represent participation in model measurements. The indicators are tested on the latent variables. The model research built comes from 14 indicators in the latent variable strategic agility, 16 indicators on the latent variable competitive strategy, and four indicators in the variable firm performance. Preliminary test results are stated that all the variables are reliable because Alpha-Cronbach is more than 0.7. However, after testing with AVE, the strategic agility and competitive strategy are not valid due to the value below 0.5. To obtain a valid and reliable model, the indicator that has a low SFL is issued to form a new model. Once the model is repaired the Alpha – Cronbach, CR and AVE values are eligible. Thus,

the improved measurement model can be used as a base to test the proposed structural model. The indicators included in the new model can be seen in the Table 6.

Table 6
Indicators on Model Repair

Competitive Strategy Indicators	Indicators Symbol	Strategic Agility Indicators	Indicators Symbol	Firm Performance Indicators	Indicators Symbol
Flexibility in billing and payment	C4	Distancing	S3	Asset Growth	A
Compatibility (adaptation)	C5	Abstracting	S4	Employee Growth	E
Range of services provided/ Ability of response	C6	Caring Resource Modularizing Switching	S9 S12 S14	Rate of Investment	R

In accordance with the hypothesis design at the beginning of the study testing 4 hypotheses, the following results are obtained:

1. The 1st hypothesis states that there is a relationship between strategic agility and competitive strategy. This hypothesis was rejected due to the statistic T-test value of the table T values and P-value above 0.5. The magnitude of strategic agility influence on competitive strategy is 0.185. This means that there is no influence on the implementation of strategic agility simultaneously with the competitive strategy for increased firm performance. If forced to do simultaneously, it will cause a negative influence. The amount of negative influence for strategic agility due to treatment competitive strategy is by 3%. This influence will certainly interfere with strategic agility performance to improve firm performance.
2. The 2nd hypothesis states that there is a relationship between strategic agility and firm performance. This hypothesis was received due to T statistical test values of the table T value and P-Value below 0.5. The magnitude of strategic agility influence on firm performance is 0.402. This means that there is an influence of strategic agility implementation that will improve firm performance.
3. As in the 2nd hypothesis, the 3rd hypothesis states that there is a relationship between strategic agility and firm performance. This hypothesis was received due to T statistical test values of the table T value and P-Value below 0.5. The magnitude of strategic agility influence on firm performance is 0.402. This means that there is an influence of strategic agility implementation that will improve firm performance.
4. The increase in firm performance can be done in strategic agility and competitive strategy separately. The magnitude of influence for firm performance due to treatment strategic agility and competitive strategy is 20.8%.

This gives direction to LSP manager that not all indicators can be used to improve the firm performance. The relationship is certainly very dynamic, especially with the changing business environment. Preferably in conducting actions business decisions are more focused on the significant indicators of the firm performance. This research treats indicators on variable sub-dimensions, simultaneously. Subsequent research can be built by testing the impact of each variable dimension to the firm performance of both strategic agility and competitive strategy. It is hoped that the dimension test has a significant influence. This is due to the more focused test on each sub-dimensional variable.

5. Conclusion

In the management strategy, the decision taken comes from a set of actions. This set of actions will then give managers a dynamic direction for the best decision making. The best decision is certainly expected to improve firm performance. A set of actions can certainly be obtained from various sources. But the selection and adjustment need to be done due to business direction and different environmental circumstances in each company. In this study, the analysis is used as an object of LSP in the integrated logistics service class. One of the characteristics of integrated services LSP is the logistics management from Consigne to the consumer held one company. Although the sub-operations are carried out by different companies, the control is done by LSP. The integration of logistics management caused the managerial system to be agile. It is because of its dynamic operational environment, technology and business competition. This relationship resulted in negative strategic agility influence against competitive strategy. So, if strategic agility is done concurrently with competitive strategy, it will result in the disruption of competitive strategy activities that resulted in decreased performance by 3.4%. The next hypothesis states that there is a direct connection between strategic agility and competitive strategy against firm performance. The direct relationship has a positive effect on firm performance. Simultaneously, the influence can increase firm performance by 20.8%.

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