

Strategic agility and its impact on competitive capabilities in healthcare industry

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ABSTRACT

This paper identifies the degree of strategic agility and its relationship with the competitive advantage in the private hospitals in Jordan. To achieve this goal, a special questionnaire was developed for a sample of managers in hospitals. The study distributed 208 questionnaires to 27 hospitals, and managed to collect 95% of them, properly. The target group was mainly hospital directors, deputy directors, district directors and department heads. The researcher presented a set of recommendations that could be considered necessary to achieve a level of competitive advantage in all fields of hospital work. In the light of the problem of research and its questions and the review of relevant studies, the current research sought to test the validity of the hypotheses of the study. The results of the statistical analysis revealed that there is a statistically significant relationship between the extent of the Agility exercise and the competitive advantage of private hospitals in Jordan ($\alpha=0.05$). The results also showed that there was a statistically significant relationship between the strategic sensitivity and competitive advantage of the private hospitals in Jordan ($\alpha = 0.05$). However, the results of the hypothesis did not differ from the second sub-hypothesis, where there was a statistically significant relationship between the substantial and competitive advantages of private hospitals in Jordan ($\alpha = 0.05$). Finally, the statistical analysis found that there is a statistically significant relationship between technology and competitive advantage in private hospitals in Jordan ($\alpha = 0.05$).

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1. Introduction

Predicting the future in a highly volatile business environment and uncertainty in the organization's direct competitive environment related to economic activities make it difficult to compete as a result of advanced and renewable technology at any given moment in this world (Weill, 2002). Here, the importance of strategic agility in the face of environmental ambiguity and rapid change in the business environment, as imposed on organizations in two fundamental ways. The first aspect is the internal environment of the organization, where it plays a role in understanding the core competencies and determining their capabilities (Doz & Kosonen, 2008). The second aspect is the external environment in order to understand the environment around the organization and make it transparent, and therefore strategic agility is the key to the success of organizations in a business environment that is changing rapidly. It enables the organization to achieve many of its strategic goals efficiently and effectively, and also helps to improve the organization's competitive position. The concept of strategic agility, as it stands today, is a remarkable development as a result of the efforts for many researchers. Strategic agility refers to the strategic ability to modify or restructure the firms and strategies in a dynamic way in the environment in which the firms operate through adaptation of the continuous initiative and the needs of the beneficiaries and adherence to the strategic vision to stay competitive in their businesses (Doz & Kosonen, 2010). Doz and Kosonen (2010) defined the strategic agility as the ability to dynamically modify or reshape the organization and its strategy in a changing business environment. This is achieved through continuous anticipation as well as adapting to customer needs and trends without giving up the company's vision, and

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taking advantage of opportunities in the changing market. Developing agility, responsiveness, and adaptability to environmental change are recognized as tools for gaining a competitive advantage. Strategic agility is a type of agility that, in addition to reacting quickly, pays special attention to strategic aspects and anticipates changes in the environment before they occur (Khoshnood & Nematizadeh, 2017). Most studies on agility and competitive advantage have focused on supply chain efficiency and agility. And few studies have evaluated the factors that determine strategic agility and its impact on organizations financial, competitive and operational factors (Christensen, 2001). Khoshnood and Nematizadeh (2017) studied the concept of strategic agility for the Iranian banking sector. They also developed a model to investigate the effect of strategic agility on competitiveness. They showed that strategic agility had a significant impact on the competitiveness of private banks in Iran. Moreover, among the dimensions of strategic agility, visual acuity was the most important factor influencing competitive capabilities. Shin et al. (2015) examined the nature and the role of agility as a strategic goal and their effects on operational and firm performance. They developed theoretical connections between the strategic agility of small and medium enterprises (SMEs) and their core dimensions, including technology capability, collaborative innovation, organizational learning, and internal alignment. They also proposed a conceptual model to study the penetration network of the relationship between strategic agility, operational performance (accountability) and firm performance. In their study, company performance was measured through customer retention and financial performance. They reported that the strategic goal of Korean SMEs on agility had a positive effect on operational performance and customer retention, but not on financial performance. Al-Azzam et al. (2017) investigated the mediating impact of strategic agility on the relationship between intellectual capital and introductory organizational excellence in Jordanian service industry. Haider and Kayani (2020) investigated the effect of customer knowledge management capability on project performance-mediating role of strategic agility. The results showed that structural equation modeling, in which the components of creation, transfer, integration and penetration were the most important tasks in clarifying customer knowledge and increasing the ability to understand customer needs and their demands, which could lead to reducing project delays, exceeds budget consumption. Strategic agility is one of the most modern concepts in the strategic field. Contemporary organizations are characterized by these types of strategies and are used in the field of strategic planning. This has contributed to the organizations' ability to quickly and accurately excel in their competitors and gain an advanced market share in competitive markets in the business environment. Oyedijo (2012) studied the role of strategic agility and competitive performance on the Nigerian telecommunication industry. He found that strategic agility had an effect on the competitive performance of telecommunication firms and also reported that strategic agility maintained a significant impact on and was a good predictor of competitive performance. Lu and Ramamurthy (2011) performed an investigation to understand the link between information technology capability and organizational agility. They highlighted that information technology was generally considered an enabler of a firm's agility.

2. The proposed study

Fig. 1 illustrates the relationship between the speed of change and nature Change and when the organization will need to implement strategic agility.

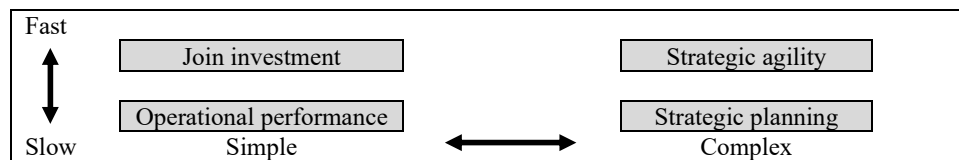


Fig. 1. The relationship between the speed and nature of change (Doz & Kosonen, 2008)

The importance of applying strategic agility to organizations is one of the fundamental requirements for success. It is the guarantor of the organization's survival and continuity. It is considered that if a competitive advantage is applied in its own right and will become an indispensable and sustainable condition over time, it's between competitors in different environments. The dimensions of strategic agility in this research will be limited to a range of dimensions (strategic sensitivity, core competencies and technology). These dimensions are the most suitable for the targeted research community and private hospitals in Jordan. Strategic sensitivity means the ability to anticipate the future and to sense variables by obtaining a large amount of information by maintaining significant relationships with a group of individuals and organizations (Kosonen & Doz, 2008), it has also been interpreted by Sull (2009) as identifying and capturing opportunities faster than competitors. In terms of core competencies, and in order to be able to respond to the environmental change surrounding the organization, it is necessary to take into account the extent of its internal capabilities and to identify the strengths and weaknesses to determine the strategic capabilities. In this regard (Muhammad, Safa, 2012), the fundamental resources are those resources and skills necessary for the survival, which is the unique characteristics of the organization and the ability to develop, coordinate and integrate available resources to create a resource for differentiation. (Hitt et al., 2013) defined core competencies as "resources and capabilities that serve as suppliers of competitive advantage in organizations. They are described as the core competencies that are the main operations center of the organization and which allow them to generate new products and services, skilled labor force, financial and marketing knowledge, technology used, etc. The concept of competitive advantage is a real revolution in the world of management whether it is at the academic or practical level, which is regarded by the administration as the first priority and the first challenge with the problems is not of strategic dimension. It is considered by the administration

as a continuous process and aims to address many internal and external problems to achieve competitive advantage And to excel in the performance of organizations in the environment dealt with by these organizations, and thus it can be said that the achievement of organizational superiority towards the parties is not permanent, but temporarily or in the short term, and the attempts are persistent and permanent to maintain this environmental balance Excellence and excellence in the sector in which they operate. Competitive advantage can be defined as a characteristic or a set of qualities enjoyed by a particular product of the company in the market, which drives many consumers and customers to obtain this product. In practice, it is easy to imitate some products by competing companies. Their products of tradition in a particular field or activity or otherwise will be subject to imitation by other competitors, and these obstacles will enable organizations to obtain the sustainable advantage that will come from an integrated system of interrelated activities, and this integration occurs and succeeds from The completion of a particular activity leads to the creation of an advantage in the completion of activities resulting from other relevant. The relative competitive advantage can be obtained through the availability of elements of production such as: natural resources, labor and land, and general skills and scientific knowledge are changing and moving at a great speed and are available today more than in the past and all over the world and easy for competitors to absorb and employ , But what is important here is to focus on the concept of competitive advantage, which takes place in a significant importance in many areas, the most important areas of strategic management and business economics. In order to measure competitive advantage, we must talk about the dimensions of competitive advantage, which are represented by the following distances:

Quality: One of the most important competitive advantages that indicate the performance of things in the right form to provide products that fit the needs of customers. And have unique characteristics and excellence and exceed the expectations of others and enable organizations to succeed and stay in the context of intense competition in the markets.

Flexibility: It is the rapid response to the changes that may occur in the work environment and in accordance with the needs and wishes of customers.

The importance of the research is theoretical as an extension of the previous studies related to the subject of agility, where it is hoped that this research will provide mechanisms to guide private hospitals in Jordan to the importance of strategic agility and its relationship to competitive advantage. This research can contribute to the development of the mechanism of operation of private hospitals and maintain their continuity and development. The main objective of this research is to clarify the degree of exercise of strategic agility and its relationship to competitive advantage in private hospitals in Jordan through:

Identify the degree of achievement of strategic agility in private hospitals in Jordan,

Identify the degree of correlation between the elements of strategic agility (strategic sensitivity, intrinsic capabilities, and technology) and competitive advantage elements (quality and flexibility) in private hospitals in Jordan at $\alpha = (0.05)$.

In the light of the problem of research and its questions and review of relevant studies, the current research sought to test the validity of the following hypotheses:

The first main hypothesis H_0 : There is a relationship between the extent of the exercise of strategic Agility and the competitive advantage of private hospitals in Jordan.

$H_{01.1}$: There is a relationship between the strategic sensitivity and competitive advantage of private hospitals in Jordan.

$H_{01.2}$: There is a relationship between the core competencies and competitive advantage of private hospitals in Jordan.

$H_{01.3}$: There is a relationship between technology and competitive advantage in private hospitals in Jordan.

The second main hypothesis: There are differences between the average responses of respondents on the degree of exercise Agility and strategic relationship with the competitive advantage of hospitals in Jordan attributed to the data (hospital directors, deputy directors, heads of departments).

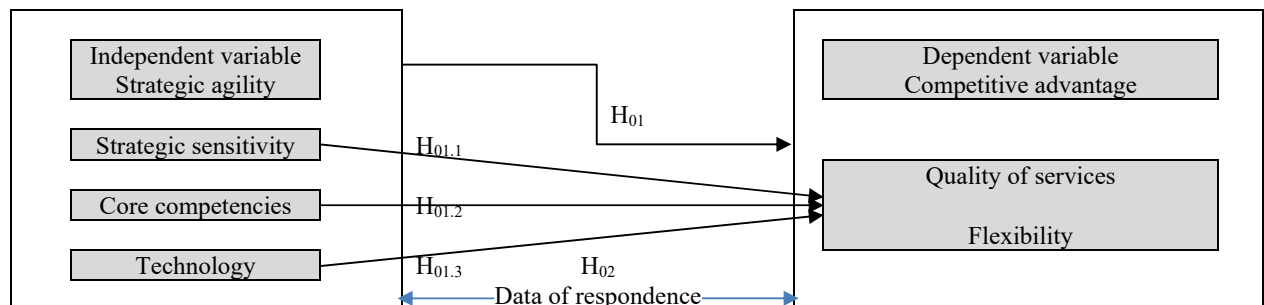


Fig. 2. The proposed study

3. The results, conclusion and recommendation

Data is measured using the 5-point Likert scale ranges from 1 = Strongly Disagree to 5 = Strongly Agree. According to this construct, respondents are asked to indicate their views on the study variables in the study sample banks Based on a five-point

Likert scale (1 = strongly disagree; 2 = disagree; 3 = neutral; 4 = agree; 5 = strongly agree). The credibility of the tool was verified in a manner of honesty as a measure of the validity of the tool, which measures the extent of achievement of the objectives you want to access the tool and shows the extent of the correlation of each area of study, the overall degree of the paragraphs of the questionnaire, was done through the sample survey of 40 individuals, (1) All correlation coefficients in all areas of the questionnaire are statistically significant at ($\alpha = 0.05$), so that all areas of the questionnaire are considered to be true for the measurement.

Table 1
Correlation coefficients in all field of the questionnaire

Main Fields	Subfields	Pearson correlation coefficient	Probability Value (Sig.)
Strategic agility	Strategic Sensitivity	0.854	0.000
	Core competencies	0.860	0.000
	Technology	0.780	0.000
Competitive advantage	Quality	0.819	0.000
	Flexibility	0.842	0.000

*The correlation was statistically significant for $\alpha = (0.05)$.

Stability means to give the questionnaire the same results if it is re-applied several times in a row and also means to what degree the meter gives close readings every time it is used. This was done on a survey sample of 40 individuals. Cronbach's alpha coefficient, and the results were as shown in Table 2.

Table 2
Cronbach Alpha coefficient for all fields

Main Fields	Subfields	Count of paragraphs	Cronbach's alpha coefficient	Self-honesty
Strategic agility	Strategic Sensitivity	5	0.742	0.861
	Core competencies	4	0.761	0.872
	Technology	6	0.780	0.883
Competitive advantage	Quality	5	0.862	0.928
	Flexibility	5	0.764	0.874

*Self-honesty = positive quadratic root of the Cronbach Alpha Coefficient.

It is clear from the above table that the value of the Cronbach Alpha coefficient is high for each field where the results ranged between (0.742 - 0.862), as well as the value of the self-honesty was high for each field where the ratios ranged between (0.861 - 0.928). The researcher used the comprehensive inventory method for all private hospitals registered in the Ministry of Health, which reached (65) private hospitals in all governorates of the Kingdom, as received on the website of the Ministry of Health of Jordan (www.moh.gov.jo). 208 questionnaires were distributed to (27) were treated as private hospitals. A total of (197) samples were recovered for analysis, representing (95%) a recovery rate which is acceptable, and the target group was mainly (hospital directors, deputy directors, department heads and department heads. A questionnaire was designed as a study tool and was developed for research purposes using some previous studies for this purpose. The questionnaire was divided into three main parts as follows:

First part includes the personal and functional characteristics of the respondents.

Second part includes research variables (strategic agility and competitive advantage), based on the following studies.

In order to analyze the questionnaires, the mean, the relative average and the T test were used for one sample to determine whether the average resolution reached the average approval level. Table 3 presents details of the results R-Square values.

Table 3
Multiple Regression Analysis of SA Factors with CA

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.934	0.876	0.869	0.1866

Table 3 reveals that the regression model shows a strong agreement at R-value of 0.934 and R-squared of 0.876, which indicates strategic agility of the variance related with Competitive advantage.

Results of the first question: What is the degree of exercise Agility and strategic relationship with the competitive advantage in hospitals for Jordan? To answer this question, the arithmetical and relative mean and the T test were used to determine whether the average response rate had reached the intermediate approval level or not, and the results were as in Table 4.

Table 4
Arithmetic averages and T test results for all areas (Strategic Agility)

Paragraph	average	mean	t	Sig.	Ranking
Strategic Sensitivity	7.75	79.53	16.94	0.000	1
Core competencies	7.68	77.72	11.15	0.000	2
Technology	7.17	72.26	15.36	0.000	3
Strategic agility as a whole	7.52	76.50	14.48	0.000	

*The arithmetic average is statistically significant at a mean ($\alpha = 0.05$).

The relative arithmetic mean for all areas of strategic Agility is equal to 76.50, which means that there is strong approval by the study sample members on the strategic Agility paragraphs in general, and this result shows that the private hospitals in Jordan have a clear response to the surrounding changes, this is why most hospitals are ecstatic in dealing with environmental changes. The result is that the nature of the conditions in which hospitals operate in Jordan puts them in front of two options, either renewable and adaptive to the surrounding conditions, so that they can compete in an environment Here and continue to compete and progress, or Are not renewable and have stagnation in dealing with these changing circumstances and this makes them start at the stage of collapse and will not be able to compete, and this is forcing them to resort to the elegance of strategy, whether these hospitals know that they are proceeding in a graceful manner or not, and agreed the results of this study with study.

The mean, relative mean, and T-test were used to determine whether the average response rate had reached the average level of consent. The results were presented in the table and the paragraphs that received the highest order in the tool study were selected and interpreted according to their appearance in the table as follows:

Paragraph No. (1) “The hospital can neutralize market risks in a flexible and rapid manner”. With a mean of (8.02) and a probability of (0.000). This confirms that there is a strong agreement among the respondents. This result is due to the fact that the hospital's management faces severe competition and therefore needs to be able to neutralize the risk and exploit market opportunities to deliver high quality performance and enable continued competition in this field.

Paragraph No. (8), “The hospital has employees with the skill, ability, knowledge and experience that enables them to achieve organizational superiority over competitors”, where the mean was (7.85) and the probability value was (0.000). This means that there is a very strong approval by the respondents. This result is attributed to the bias of the senior management in hospitals, considering that their hospitals are better than other hospitals. In general, this finding confirms that hospital management is constantly working to provide the necessary skills and develop them to match the change in the environment. This is due to the fact that the hospitals seek to compete and add value to their customers and essential assets that others do not have by providing services related to good quality, Therefore, these hospitals constantly need to lose the skills and abilities they possess and work to develop them.

Paragraph No. (12), “Each hospital department has a comprehensive information system linked to the higher management through the Intranet”. The mean was (7.62) and the probability value was (0.000). This means that there is a very strong approval by the respondents. This finding is due to the extent to which hospitals have access to technology and its importance to hospitals. In general, this finding confirms that hospital management is constantly working to provide the necessary technology and modern equipment to help it continue to compete in this field. Also, hospitals are constantly trying to obtain the latest technology, which enables them to have a real competitive advantage. Therefore, hospitals constantly need to lose the technology, equipment and capabilities that enable them to operate, maintain and maintain them continuously. In general, hospitals strive to compete and add value to their customers through the provision of distinctive services and products. Hospitals should therefore review the skills, abilities and technology used and develop them continuously. This result was agreed with Ojha (2008).

Question 2: What is the level of competitive advantage in private hospitals in Jordan?

To answer this question, the mean, the relative average and the (T) test were used to determine whether the average response rate had reached the intermediate approval level, and the results are shown in Table 5.

Table 5

The arithmetical averages and standard deviations related to the competitive advantage of its dimensions are ranked as important

Paragraph	average	mean	standard deviation	Sig.	Ranking
Quality	8.05	81.57	15.87	0.00	1
Flexibility	7.74	75.25	12.72	0.00	2
Competitive advantage as a whole	7.89	78.56	14.29	0.00	

The arithmetic average is statistically significant at the mean level ($\alpha = 0.05$)

The relative arithmetic mean for all areas of competitive advantage is equal to 78.56 (Sig.=0.000). The results show that Jordanian hospitals have a strong level of excellence and have a strong competitive advantage among their competitors, due to the nature of these hospitals and the nature of the circumstances. They are seeking to achieve this excellence by focusing on customer satisfaction and quality of service. The customer satisfaction with hospital management flexibility is the most agreed upon by the respondents and the quality of the service provided. This may be attributed to the fact that hospitals are generally concerned with the satisfaction and maintenance of their customers, since they are the main and essential factor of profitability in these hospitals, as well as the quality of services. In the light of the problem of research and its questions and the review of relevant studies, the current research sought to test the validity of the hypotheses of the study. The results of the statistical analysis revealed that there are as follows,

- 1- A statistically significant relationship between the extent of the agility exercise and the competitive advantage of private hospitals in Jordan ($\alpha = 0.05$).
- 2- The results showed that there was a statistically significant relationship between the strategic sensitivity and competitive advantage of the private hospitals in Jordan ($\alpha = 0.05$).
- 3- The results of the hypothesis did not differ from the second sub-hypothesis, where there was a statistically significant relation between the substantial and competitive advantages of private hospitals in Jordan, and the fourth sub-hypothesis ($\alpha = 0.05$).
- 4- The statistical analysis found that there is a statistically significant relationship between technology and competitive advantage in private hospitals in Jordan ($\alpha = 0.05$).

By reviewing the statistical analysis of the resolution clauses and hypothesis testing, the following results were obtained:

The researcher concluded that the hospitals in general apply the strategic Agility in a simple way, which enables them to address and overcome the obstacles they face in the health sector in Jordan. It also shows that hospitals in the private sector are keen to apply excellence in all dimensions. In general, corporate management is centralized and does not involve employees significantly in strategic decisions. The research showed that most hospitals in the private sector are concerned with the quality of services provided to customers. Hospitals have a good ability to implement plans that enable them to reach their goals. Finally, as a recommendation, we recommend the need to spread an organizational culture that contributes to the development of the concept of strategic Agility in the changing circumstances of the competition market. We also recommend working to create a more flexible regulatory environment, in a manner consistent with the application of Agility and strategic away as far as possible from the central organizations of strict and bureaucratic nature. Interest in providing strategic alternatives when planning and implementing plans on the ground and effectively is another recommendation. There is a need to activate and disseminate a culture of participation and work in a team spirit between the staff and hospital management. We also need to adopt continuous training programs for employees to enhance their capabilities, integrate them and involve them in the planning and strategic decision-making process.

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