
Strategic Thinking Competencies and their Impact on Strategic Flexibility

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ABSTRACT: The study aimed to reveal the impact of strategic thinking competencies on the achievement of strategic flexibility, as well as determine the level of availability of strategic thinking and strategic flexibility. The study was conducted at Islamic banks in Jordan, which represents the study population, and to achieve the goals of the study was to develop a questionnaire was developed to gather primary data from a sample of the study, which consisted of (168) responses. Competencies of strategic thinking were measured through dimensional (systemic thinking, innovative thinking, and thinking-oriented vision) that relied on the Moon study, 2003. The strategic flexibility variable has been measured based on Matheson & Matheson study, 2011. After data collection is the study hypothesis major test which there is no significant effect a statistically significant level ($\alpha \leq 0.05$) dimensions of strategic thinking (systemic thinking, innovative thinking, and thinking-oriented vision) in strategic flexibility. I have been using regression analysis to test the hypotheses of the study, which resulted in the most important finding showing there is a significant effect of the dimensions of strategic thinking to achieve strategic flexibility in the organizations studied.

Introduction

The world is witnessing great challenges facing organizations, the rapid changes in information systems and technology, communications, openness to international markets, the growing role of the knowledge economy, increased competition, and joint ventures between organizations and necessitate these challenges organizations generally respond with a clear vision to enable them to look to the future by thinking and planning strategy, to discover opportunities and grasp, and knowing and avoid ins threats and risks, From those emerged the importance of strategic thinking that relies on the ability of decision makers in business organizations to influence events. This marked the entrance of strategic thinking future dimensions, in spite of its future direction, but long it was three-dimensional, as the strategic pundits are supposed to have a vision of, Not learning from previous neglect improve performer, and at the same time recognize the location where their organization stands so that they can avoid mistakes.

This has led many researchers in the field of management, strategy and organization to search for ways and means that can adapted by organizations and especially smart ones; to deal with these successive changes and flexible strategic decision-making and make changes to its structure to suit the nature of these changes and that of the strategy of the organization, leading to achieve alignment between the organization and its environment (Oliver & Johan, 2005).

The emergence of smart organizations emphasized the concept contemporary R & D operations in different organizations and then taking this concept ranging from within the organization to include on the evolution of the organization as a whole need gained from within the organizations of the evolution of this concept has become so thoroughly represents a smart organization.

It was here on the organizations that sponsor their own intelligence to ensure the relevance and survival in the renewable business environment (Liang, 2004). Organization is the new interface that will distinguish winners from the losers in the coming years. The organization's ability to make smart decisions and rapid adaptation to change is one of the competitive advantages of business organizations in the atheist and the twentieth century (Matheson & Matheson, 2001). Based on the foregoing, and from the ultimate goal to improve the performance of the organizations in all aspects and in response to modern trends in building organizations seek in this study was to examine the impact of strategic thinking competencies in building smart organizations.

Literature Review

Strategic Thinking Competencies

Liedtka(998) showed that the term strategic thinking has become widely used in large and strategic field of strategic management, and that those who use this term does not know the real meaning and content of this term. The term strategic thinking is used to denote a holistic thinking and strategy is not to signify the thinking pattern and what specific

characteristics. So explained Bonn (2005) that strategic thinking is a way to solve strategic problems that combine a rational approach and converging with the introduction of each of the innovation process and the differential thought. Idris and Ghalibi (2012) explained that can be framed with four entrances, are:

Approach leaders thinking, which represents the oldest strategic management schools, and based on that the senior leadership of the organization has administrative methods, regulatory and operations that, trying to figure out what surrounds the organization of events and changes that take into account, to gain access to the formulation of appropriate its strategy.

Approach thinking as steps and processes, in which the emphasis was placed on programming analysis for the purpose of making effective strategic decisions and take, where he has been the development of perspective stages of strategic decision-making and the like refers to the possibility of a unilateral analysis through a structured unilateral thinking, and the development of thinking here stage in these contexts multiple.

organizational development and operations decision through random momentum and chaos processes of decision-making with extensive nature requires analysis of the entire internal and external dimensions of the environment.

Approach thinking as processes of Variety: The formulation of strategy and development cannot be viewed in the perspective of a rational framework for senior management, but can be counted regulatory processes mimic the dynamic activities in the various levels, from senior management oversight.

Kargin & Aktas (2012) has explained that the competencies of strategic thinking mainly consists of three competencies, Organizational thinking Systematic which refers to the ability of leaders to look at the systems in a holistic manner by understanding the characteristics, power, models and correlations that form the behavior of the system and there by provide optimal and best choice. The second merit is the insight reflecting which refers to the ability of leaders to weave logical and rational through the use of concepts and experiences and information to think about sentencing and create intuitive principles guide future actions. Finally, the third merit it associated with the drafting reframing which reflect the ability of leaders to shift attention from the perspective of a multi-perspective to mental models to generate knowledge and experience contemporary and options to take new actions.

The Moon has identified four competencies of strategic thinking competencies is the systemic thinking, innovative thinking, and thinking-oriented vision, and finally, the market-oriented thinking. In the current study researcher relied on three competencies of competencies developed by the Moon (2013) to measure the competencies of strategic thinking by measuring competencies being the most suitable for the measurement of the current study researcher environment.

Strategic Flexibility

Can be an arranged concept historically flexible, the appearance of the concept of public flexibility and then its transition to the administrative area, and interacted business organizations with this concept and its dimensions, also created these organizations interact with environmental factors and variables concept of flexible manufacturing, and then operational flexibility, and finally the concept of strategic flexibility. Not available in the literature agreed definition of the concept of flexibility, but there are concepts of flexibility derived from general concepts, but they all focus on the feature of the organization to enable them to reflect the change (De Toni & Tonchia, 2005). Flexibility in general refers to a distinctive feature of the organization, which shows their ability to link the administrative environment factors and external environment (Correa, 1994). However, the concept of strategic flexibility is different from the concept of flexibility in general, and by the fact that the concept of strategic flexibility is linked with the concept of uncertainty and aspects of strategic importance to the organization.

the point of view of Bhandari (2004) strategic flexibility refers to the ability of organizations to develop new products, entering new markets, new industries, which is different from the traditional flexibility, which focuses on the organization's ability to modify the sizes of their products according to the requirements of the changing market. He said all of Kastuhiko & Hitt (2004) that the concept of strategic flexibility is the ability of the Organization to determine the changes in the external environment and the speed of response. With select each of Abbott & Banerji (2003) that the strategic flexibility is the ability of the organization to adapt and respond in reaction to changes in the environment in which organizations engaged in activities appropriate style, and reflect the ability to produce the right products and sell them at the right time in the right place and at the right price.

The importance of the strategic flexibility, as Yonggui & Hing-po (2004) explained that organizations realized the importance of the strategic flexibility as a result of necessity to achieve new competitive advantage. Evans suggested that flexibility strategy consists of a number of sensory implications involve the development of strategies to suit the realities of the environment in which it operates in terms of liquidity, adaptability, agility, corrigibility, robustness, plasticity, malleability, resiliencies, elasticity, versatility.

Abbott & Baserji suggested that they could measure the strategic flexibility by measuring market flexibility, production flexibility, competitiveness and flexibility. These are the dimensions that will be adopted in this study due to its comprehensiveness (Abbott & Baserji, 2003).

Objective of the Study

The objective of this research is to determine the impact of strategic thinking competencies dimensions on strategic flexibility.

Research questions

To achieve the objective of this research, it requires research to answer questions which are the following:

Q1: What is the impact of strategic thinking competencies on the strategic flexibility?

Can derive the following sub-questions of the main question:

What is the impact of Systemic thinking on the strategic flexibility?

What is the impact of Innovative thinking on the strategic flexibility?

What is the impact of Thinking-oriented vision on the strategic flexibility?

Suggested Model

A model consists of two types of variables, the independent variable (Strategic Thinking Competencies) and the dependent variable (Strategic Flexibility) as shown in figure (1).

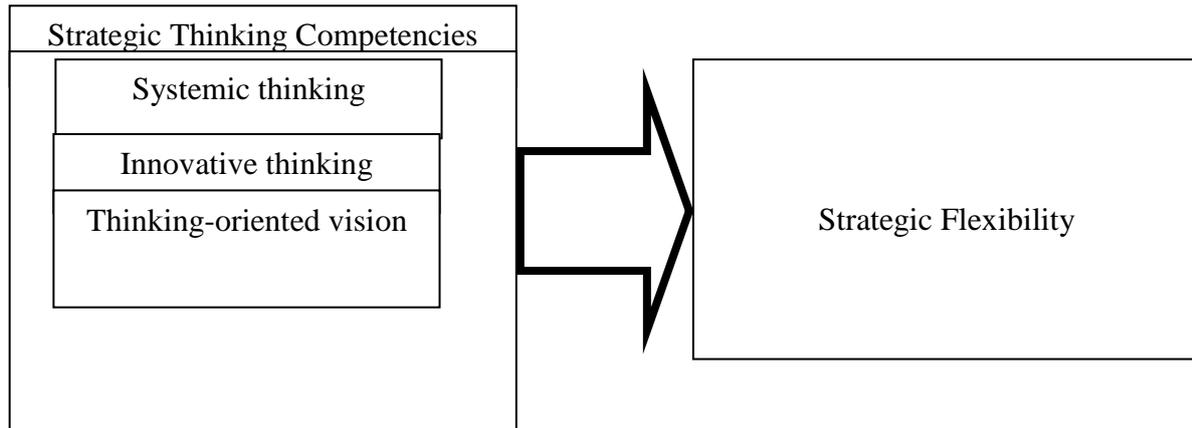


Figure 1. Research Model

The Hypotheses of the Study

The study tested the specific hypothesis and a general hypothesis as outlined below;

Main hypothesis:

Ho-1: There is no significant effect of the dimensions of strategic thinking competencies(systemic thinking, innovative thinking, and Thinking-oriented vision) on the strategic flexibility.

And which is derived the following sub-hypotheses:

Ho1-1: There is no significant effect of the systemic thinking on the strategic flexibility.

Ho1-2: There is no significant effect of the innovative thinking on the strategic flexibility.

Ho1-3: There is no significant effect of the Thinking-oriented vision on the strategic flexibility.

Methodology of the Study

Population and Sample

The study population consisted of all Jordanian Islamic banks, of (3) banks. Given the importance of the subject of the study, and to ensure the quality of final results obtained, it has been that all of those who held administrative positions sample of the current study, which consisted sampling unit and analysis of the study of workers in the Jordanian Islamic banks managers of the occupants of the following functional locations: (Executive Director, General Manager, managers departments, heads of departments). Have been distributed (212) questionnaire on sampling and analysis unit categories, redeem them a total of (173), and after examining questionnaires recovered show that there are (5) questionnaires are not valid for the analysis process, so as to non-completion of all of the information contained therein, thus bringing the number of valid questionnaires for analysis, a total of (168) questionnaire at a rate (79%) of the total number of distributed questionnaires.

Shown in Table (1) some of the characteristics of the study sample In terms of the distribution of respondents by age group, it was the age group that lies between (35-Less than 44 years) are the most likely age group, where the number of those who fall within this age category (86) and individuals representing the percentage of (51.2%) of the sample size. The category was less (Less than 25 years), the number of individuals reached in this category (6) individuals representing the percentage of (3.6%) of the sample size. The distribution of the sample according to qualification, the number of individuals who hold a bachelor's degree was their majority in the study sample, where numbered (80) and individuals representing the percentage of (47.6%) of the sample size. Regarding the distribution of the sample according to experience years, the number of individuals who have reached a period of service (15 years and more) are the most likely category, where numbered (99) individuals, representing the percentage of (58.9%) of the sample size.

Table 1. Demographic Characteristics of respondents (n=168)

Characteristics	Frequency	Percentage
Age:		
Less than 25 years	6	3.6
25 – Less than 35	59	35.2
35 – Less than 44	86	51.2
44 years and more	17	10.1
Educational Level:		
Diploma or less	18	10.7
Bachelors	80	47.6
Higher Education	70	41.7
Experience Years:		
1 – Less than 5	10	6.0
5 – Less than 10	21	12.5
10 – Less than 15	28	22.6
15 years and more	99	58.9

Data collection tools

Secondary sources

Where he was addressing the current theoretical framework for the study of the sources of secondary data, which consists of books, journals, articles, reports, and research and previous studies on the subject of the study.

Primary sources

To address the analytical aspects of the research was to rely on the questionnaire designed primarily as a tool for the study, which included a number of questions that reflect the objectives of the study and questions, to be answered by the study sample.

Instrument validity and reliability

Instrument validity

The content validity of the questionnaire was determined by a panel of experts in the fields of, Emotional Intelligence and Leadership Competencies development.

Instrument reliability

The researcher using test internal consistency (Cronbach's Alpha), to measure the consistency in the answers of respondents on all questions in the measure, and although the measurement bases in the duty value obtained is specific, however, get a (Alpha ≥ 0.70) is one of the Applied human Sciences is acceptable in general (Sekaran & Bougie, 2010). The table (2) shows the results of stability tool for this study.

Table 2. Reliability Analysis

Dimension	Value (α)
Competencies of strategic thinking	0.88
Systemic thinking	0.79
Innovative thinking	0.80
Thinking-oriented vision	0.92
Strategic Flexibility	0.88

As it is shown in Table (2) Persistence values to the variables of the main study, which ranged from (0.88) leadership competencies and (0.92) of the characteristics of intelligent organization. Cronbach's Alpha and show indications that a questionnaire study are generally characterized by high internal consistency, and its ability to achieve the purposes of the study and according to (Sekaran & Bougie, 2010).

Discussion and Conclusions

The results of this study show that the impact of systemic thinking among managers working in the Jordanian Islamic banks in achieving its strategic flexibility. As the results of the statistical analysis showed a statistically significant effect of systemic thinking in achieving its strategic flexibility, in terms of results indicated that the value of the correlation coefficient R (0.625) at the level of ($\alpha \leq 0.05$). The coefficient of determination $2R$ reached (0.390), meaning that the value (0.390) of changes in the strategic flexibility resulting from the change in the strategic thinking of managers working in the Jordanian Islamic banks. As the value of the degree of influence β (0.2370) for systemic thinking and (0.2080) for innovative thinking and (0.3060) to thinking-oriented vision. This means that a one degree increase in the interest level of the strategic dimensions of thinking (thinking systemic, creative thinking, thinking-oriented vision) of managers working

in the Islamic banking Jordanian lead to an increase in the achievement of strategic flexibility value of (0.2370) to systemic thinking and (0.2080) to innovative thinking and (0.3060) to Thinking-oriented vision. This confirms a significant impact (F) value calculated, which amounted to (20.283), It is significant at the level ($\alpha \leq 0.05$) See table 3.

There is a statistically significant effect at the level of ($\alpha \leq 0.05$) to the competencies of strategic thinking dimensions (systemic thinking, creative thinking, thinking-oriented vision) in achieving its strategic flexibility. It was ranked first in terms of impact-oriented vision thinking much impact was (0.3060) and secondly the degree of systemic thinking effect (0.2370), and finally the degree of the impact of innovative thinking (0.2080).

These results are consistent with the results of a study by Ahmed (2014) and the study of Mahdavian, et.al, (2014) in terms of the impact of strategic thinking, as shown Ahmed study (2014) and a relationship and effect between strategic thinking and stages properties application process re-engineering. The study found Mahdavian, et.al, (2014) that there is a significant effect on the strategic thinking on the performance of municipal managers.

Table 3. Regression Results

Variables	Beta	t-value	p-value
systemic thinking	0.273	2.200	0.030
Innovative thinking	0.208	2.137	0.035
Thinking-oriented vision	0.306	3.017	0.003
(R2) =0.390		F= 20.283	(R)= 0.625

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