



EFFECT OF THE LEADER'S STRATEGIC AWARENESS IN STRATEGIC AMBIDEXTERITY: AN ANALYTICAL STUDY OF THE OPINIONS OF A SAMPLE OF EMPLOYEES IN GOVERNMENT BANKS IN AL-MAYSAN GOVERNORATE

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Abstract:

This study investigates the role of strategic awareness in achieving strategic ambidexterity, aiming to establish a cohesive theoretical framework that addresses critical issues discussed by scholars and researchers in this field. It also provides an analytical perspective based on feedback collected from government bank employees in Maysan Governorate. Out of 156 employees, a sample size of 144 was selected for the study. The study utilized a questionnaire to gather data, followed by comprehensive statistical analyses conducted through multiple methodologies, facilitated by the Smart PLS software. The findings validated the study's hypothesis, highlighting the influential interplay between its variables. Additionally, the study offered several recommendations, emphasizing the importance of fostering strategic awareness among leaders in government banks as a crucial element for successfully realizing long-term strategic objectives.

Keywords: Employees in Government banks in Maysan , Strategic ambidexterity , Strategic awareness .

INTRODUCTION

In today's fast-changing and tough business world, companies need to change and improve to stay alive and have a good position in the market (Gupta et al., 2019). Some businesses are good at dealing with new problems, but others face a hard choice between keeping their success or getting stuck in old ways of doing things (Odea et al., 2000). Being able to use smart and new ideas is really important, and this is something that matters not just for big companies, but also for smaller ones like small and medium-sized businesses (SMEs) (O'Reilly and Tushman, 2013).

Unlike larger firms with substantial resources, SMEs often operate under resource constraints, compelling them to develop innovative solutions to navigate the pressures of fierce competition (Bohen et al., 2020). A key concept that addresses these hurdles is strategic awareness. This approach is pivotal in enabling organizations to evaluate both their internal resources and external environments effectively. By doing so, they can uncover potential opportunities, mitigate risks arising from external factors, and reduce their adverse impacts. In a highly competitive environment, having a strong sense of strategy is crucial for an organization to stay alive and gain a better position than its competitors (Al-Badayneh, 2021: 47).

1. REVIEW OF LITERATUREHJJAAUUEBC & UNDERLYING THEORYSDKH

1.1 Strategic awareness

Strategic awareness has emerged as a pivotal element in effectively managing organizational development initiatives. It reflects senior management's comprehension of the organization's overarching strategy—including its vision—and the degree of alignment among managers regarding strategic goals, operational objectives, and the mechanisms for their implementation (Lukkarinen, 2018, p. 13). Gibb and Cote (1985, p. 615) emphasize that strategic awareness represents the most influential internal factor affecting the success of organizational change and development efforts. Unlike factors such as limited time, resource constraints, or external environmental considerations—which are situational—strategic awareness acts as a unifying framework, enabling the coordination of key components to drive progress. According to Thompson and Martin (2010: 10), strategic awareness involves evaluating the organization's current position and exploring potential future trajectories that align with its overarching mission. Al-Badayneh (2021) categorizes strategic awareness into three distinct behavioral dimensions, which are outlined as follows:

1- Strategic understanding of the external environment



Organizations are inherently shaped by the external environments in which they operate, as no organization functions in complete isolation. Strategic decisions and actions are influenced by a variety of contextual forces—including competitive, social, political, and economic dimensions—highlighting the critical role of environmental awareness in shaping strategic thinking and organizational responsiveness (Pencarelli, 2008). The external environment is diverse, encompassing multiple contexts where organizations carry out their activities, particularly business organizations engaged in similar core pursuits.

The external environment of an organization encompasses a wide array of factors that exist beyond its direct control. These factors include various stakeholders—such as customers, competitors, government entities, suppliers, employees, and financial institutions—that maintain interconnected relationships with the organization's operations. Furthermore, it encompasses broader forces outside the organization's direct boundaries—political, economic, social, and technological influences—which can significantly affect its operations and overall performance (Johnson, 2021).

2- Strategic Understanding of the Internal Environment

An organization's internal environment consists of various elements and factors that together shape its internal dynamics. These components are closely linked to the organization's objectives, financial capacity, administrative strengths, weaknesses, and core operational areas, such as marketing, production, finance, and human resource management (Read, 2009). Key among these internal elements are human factors, which play a central role in driving organizational success. These factors include the experiences, qualifications, skills, tendencies, and overall competency levels of the workforce. The human element remains a critical and influential component in achieving organizational goals, underscoring its importance in determining the organization's ability to thrive (Badayneh, 2021).

3- Strategic Awareness of Organizational Goals

Strategic objectives serve as key performance benchmarks that articulate the outcomes an organization seeks to attain. They are fundamental to evaluating organizational performance and serve as critical drivers in the pursuit of competitive advantage (Posen, 2018).

These objectives form a vital foundation closely linked to the organization's mission and core principles. To grasp the essence of an organization's strategic goals, it is crucial to consider its aspirations across long-term, medium-term, and short-term horizons. Defining these objectives is indispensable, as they establish a roadmap for decision-makers to optimize and advance the organization's operations, positioning it to outperform competitors more effectively (Trigeorgis, 2017).

1.2 Strategic ambidexterity

Strategic ambidexterity refers to the capacity to both explore new market opportunities and optimize the performance of current markets, as discussed by Judge and Blocker in 2008. (O'Reilly & Tushman 2013) highlight that this dual approach allows organizations to recognize and leverage both existing and emerging opportunities by effectively distributing resources and capabilities across their organizational assets. In earlier research from 2004, O'Reilly and Tushman emphasized that organizations possessing ambidextrous capabilities can drive innovation while maintaining the stability of their established products. Similarly, March (1991) highlighted the importance of aligning employee support with the demands of both existing and novel markets to enhance performance in dynamic marketing environments. Atuahene et al. (2001) recognized that exploitative strategies drive improved sales in established markets, while exploratory strategies are effective for penetrating new ones—a view further supported by Ocasio (2011). Wu et al. (2020) describe strategic ambidexterity as comprising two essential dimensions, which are elaborated below.

1 - Exploration

Exploration involves the pursuit of novel products, resources, and knowledge. Within the startup context, it is strongly associated with innovative thinking that fosters transformative change and promotes organizational learning through experimentation (Sinha, 2015, p. 313). This systematic process encompasses several interrelated elements—including research, experimentation, creativity, diversity, risk-taking, adaptability, and innovation—as highlighted by Chou (2018, p. 4).

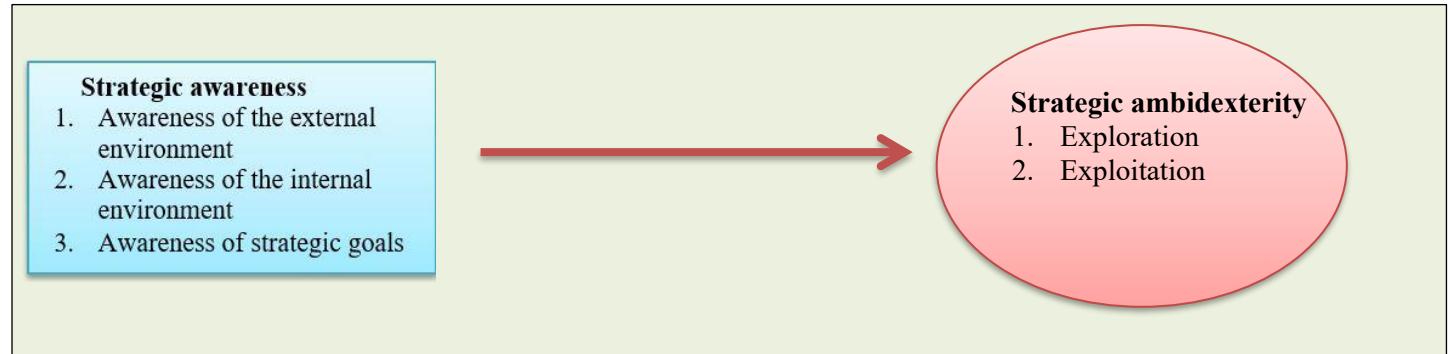
2- Exploitation

Exploitation, by contrast, focuses on utilizing existing resources to refine, optimize, and standardize organizational processes and knowledge. At the same time, it encourages firms to identify new opportunities and embrace transformation through calculated risk-taking and controlled experimentation (Gastaldi et al., 2022, p. 3). Organizations engaged in exploitative practices predominantly focus on applying established knowledge, refining capabilities within current structures, and maximizing efficiency by reusing documented strategies (Schnellbacher, 2021:386). Shina (2015:316) describes exploitative dexterity as the strategic ability to employ current resources to meet short-term goals and maintain competitiveness. This idea also extends to activities directly aligned with areas of organizational expertise. Within the framework of organizational learning, (Abed et al. 2020:14934) define exploitative dexterity as an organization's capacity to enhance immediate performance by improving processes that deliver direct value.



2. DEFAULT STUDY PLAN

The diagram presented in the study offers a streamlined and clear depiction of the phenomenon being examined, emphasizing possible influence relationships through hypothetical indicators that have yet to be tested. Functioning as a visual framework, the model presents a set of hypotheses designed with attention to the measurability of each variable, while also enabling an assessment of the model's scope and overall comprehensiveness. Figure (1) displays the conceptual design of the study, showcasing the proposed framework intended to direct the research approach.



The central hypothesis of this study posits that strategic awareness has a significant impact on strategic ambidexterity. Based on this overarching proposition, the following three sub-hypotheses have been developed:

- **H1:** Awareness of the external environment significantly influences strategic ambidexterity.
- **H2:** Awareness of the internal environment significantly influences strategic ambidexterity.
- **H3:** Awareness of strategic objectives significantly influences strategic ambidexterity.

2.1 Study sample dfgdg sdf gsd gae rge gasdf va gyujk c cghdfhdtrh rg weg

The study targeted a population of 250 employees working in government banks located in Maysan Governorate, Iraq. For analytical purposes, a representative sample of 180 employees was selected.

2.2 The tool of the study

The study utilized a structured questionnaire as the primary tool for data collection. The instrument consisted of two distinct sections. The first section focused on strategic awareness, utilizing items adapted from Al-Badayneh (2021), while the second section explored strategic ambidexterity, using items sourced from Wu et al. (2020). To evaluate reliability, the Cronbach's alpha coefficient was applied, a widely recognized metric with acceptable thresholds set at values above 0.70 (Chen & Huang, 2007). Analysis revealed that the reliability coefficient for the strategic awareness section stood at 0.887, indicating strong internal consistency. Similarly, the strategic ambidexterity section achieved a coefficient of 0.882, and the combined sections recorded a value of 0.937. These findings collectively demonstrated satisfactory reliability across individual components. Moreover, when aggregated across all sections, the overall reliability reached an impressive coefficient of 0.971, underscoring the robustness and dependability of the instrument used in the study.

3. HYPOTHESES TESTING

3.5.1 The primary hypothesis is tested and the study focuses on the idea that strategic awareness significantly influences strategic dexterity.

To evaluate this hypothesis, several sub-hypotheses were analyzed. The findings presented in Table (1) reveal the following insights.

Table (1) Evaluation of how strategic awareness influences strategic agility

The explanatory variable and its dimensions	Regression coefficient		R2	F value	P	Responsive variable
	α	β				
Awareness of the external environment	1.685	0.622	0.231	233.564	0.000	Strategic ambidexterity
Awareness of the internal environment	1.537	0.541	0.344	130.611	0.000	
Awareness of strategic goals	1.732	0.473	0.372	178.554	0.000	
Strategic awareness	0.631	0.742	0.575	458.868	0.000	

The value of (F) tabulated at a level of significance (0.05) = 3.841. The value of (F) tabulated at a level of significance (0.01) = 6.635

The results of the analysis reveal a positive and statistically significant relationship between awareness of the internal environment and strategic ambidexterity. The regression constant (α) is reported at 1.537, with a beta coefficient (β)



of 0.541. The coefficient of determination (R^2) indicates that this variable accounts for 34.4% of the variance in strategic ambidexterity. Model validity was supported by an F-statistic exceeding the critical threshold, with a significance level ($p < 0.05$), thereby confirming the acceptance of the related hypothesis.

Similarly, the findings indicate a positive influence of overall strategic awareness on strategic ambidexterity. In this model, the regression constant is 0.631, and the beta coefficient increases to 0.742. Strategic awareness among school managers explains 57.5% of the variance in the dependent variable. Both the R^2 value and the model's statistical validity were reinforced by an F-statistic that surpassed the critical value in the F-table, with a significance level consistently below 0.05. These results support the acceptance of the primary hypothesis.

4.CONCLUSIONS & RECOMMENDATIONS

4.1 Conclusions

The study revealed that external environmental awareness has a limited impact on shaping the strategic resilience of government banks in Maysan. It further highlighted that discrepancies in strategic awareness among employees in Iraqi government banks could undermine their capacity to function efficiently and strategically. On the other hand, fostering better alignment and integration of strategic awareness is essential for achieving organizational objectives and improving adaptability to evolving environmental challenges.

The findings also revealed a noteworthy presence of creativity within the strategic resilience framework, showcasing employees' capacity to navigate unforeseen environmental challenges. This highlights the importance of managers promoting employee engagement and delegating adequate authority, empowering staff to respond effectively to dynamic situations.

4.2 Recommendations

1. Managers in government banks across Maysan should set up a solid framework that promotes strategic agility, cultivating a workplace that prioritizes creativity, innovation, and the capacity to adapt to changing conditions.
2. Foster an innovative culture among employees by enabling them to gain deeper insights into their surroundings and strengthening their ability to navigate and respond effectively to evolving situations.
3. Maximize the strategic potential of bank departments by prioritizing advancements in strategic awareness, striking a balance between continuity and innovation. This approach can build greater confidence in exploring new ideas while encouraging collaboration and knowledge-sharing.
4. Strengthen oversight of critical operational activities while simultaneously granting employees more flexibility through the use of modern technological tools, ultimately enhancing customer service and satisfaction.

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