



# A Theoretical Framework Examining The Impact Of Strategic Agility And Strategic Resilience On Organizational Performance

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## ABSTRACT

The primary purpose of this research is to investigate the connection between strategic resilience, strategic agility, and the performance of an organization. The purpose of this research is to improve our understanding of the dynamic relationship between these variables and to advance the theoretical frameworks that are already in place. A technique based on a literature study is utilized in this paper to investigate the influence that strategic resilience and agility have on the performance of organizations. By adding empirical evidence that either contradicts or verifies the prevalent ideas, this study aims to contribute to the existing body of knowledge and improve theoretical comprehension simultaneously. This study fully defines strategic resilience, agility, and organizational performance, emphasizing the significance of these concepts in accomplishing organizational goals. The study's outcomes will contribute to understanding the relationship between strategic resilience, agility, and organizational performance within the academic and business worlds. Furthermore, it is predicted that the theoretical insights generated from this study will be used to inform organizational strategy and management practices, assisting companies in achieving tremendous success in the ever-changing business environment.

**Keywords:** Strategic Resilience, Strategic Agility, Organizational performance, Universities, Malaysia

## 1.0 Introduction

An organization's capacity to accommodate, flourish, and maintain itself over time is paramount in the dynamic and ever-evolving business world. Resilience and agility in strategy are two essential concepts that can assist firms in accomplishing this goal. Strategic resilience is a multidimensional concept that encompasses an organization's ability to not only withstand challenges and changes but also to adapt, learn, and flourish in the face of adversity, according to extensive research carried out by Florez-Jimenez et al. (2024), Hepfer & Lawrence (2022), and Ortiz-de-Mandojana & Bansal in (2016). To accomplish this, companies need robust systems, processes, and capabilities that may assist them in recovering from setbacks, minimizing negative impacts, and seizing emerging opportunities.

The ability of a company to quickly adapt to new conditions, capitalize on emerging opportunities, and effectively address potential risks and challenges is referred to as strategic agility. On the other side, operational agility is also a significant factor. Researchers such as Arokodare and Asikhia (2020) and Pfaff (2023) have underlined that for firms to be strategically agile, they need to be nimble, adaptable, and sensitive to changing market conditions, consumer wants, and technological improvements all at the same time. Businesses that can negotiate the constantly shifting business landscape are better positioned if they possess strategic resilience and agility. In the long run, these businesses can quickly adjust to new problems, seize emerging opportunities, and emerge more robust and thriving. Consequently, they must cultivate these two vital talents to maintain their competitive edge and thrive in today's challenging business environment.

First and foremost, the investigation examines through the literature how strategic resilience affects the organizational performance of private universities in Malaysia. Strategic resilience is the ability of an

organization to adjust and prosper in the face of difficulties and strategic resilience options (Asare-Kyire et al., 2023).

Second, the research aims to investigate through the literature how strategic agility shapes the superior performance of private universities. Strategic agility is the ability of an organization to quickly and skillfully adapt to changing market trends and dynamics.

The study's ability to broaden our comprehension of the connection between strategic resilience, strategic agility, and organizational performance constitutes its theoretical value. This study enhances the existing theoretical frameworks by offering a theoretical comprehension of the interplay between these variables. It contributes to the corpus of knowledge by supplementing empirical evidence to challenge or validate prevailing theories, thereby advancing theoretical comprehension. The study aims to examine how strategic resilience and agility impact organizational performance through the literature review. This study does not provide the empirical findings. However, it is based on the literature review.

The second section defines and emphasizes strategic resilience, agility, and organizational performance. The third section develops the hypotheses, whereas the fourth concludes the paper.

## 2.0 Literature Review

### 2.1 Strategic Resilience

Resilience, particularly in the context of companies, has gained significant attention in recent years to understand why certain companies are better equipped to handle challenges than others (Hillmann & Guenther, 2021). Two momentous occurrences have transpired in recent years, catching numerous companies off guard and impeding their prosperity: the onset of the financial crisis in 2008 and the COVID-19 pandemic in 2019. Both occurrences disrupted the flow of goods and services, causing uncertainty and significantly impacting companies and entire economies (Hughes et al., 2020). Nevertheless, the impact of these two disruptions has not been uniform across all countries or companies. Under these circumstances, companies like Zoom and Delivery Hero have experienced significant growth and expanded their business operations extensively (Financial Times, 2021).

Resilience, as defined in the literature, refers to the ability to react more promptly, recuperate more swiftly, or devise more unconventional approaches to conducting business when faced with adversity, surpassing the capabilities of others (Linnenluecke, 2017). Researchers, practitioners, and international organizations such as the European Union (EU) increasingly engage in resilience research. In 2020, the European Commission (EC) implemented the concept of resilience in the business sector and established the 'Recovery and Resilience Task Force' to address the impacts of the COVID-19 pandemic (EC, 2021). Prior to 2020, the concept of resilience in the European Commission (EC) primarily revolved around addressing and managing the impacts of violence, conflict, drought, and other natural disasters from a humanitarian standpoint (EC, 2016). The EU Institute for Security Studies emphasizes resilience as the ability to absorb and recover from various forms of stress or shock. The European Commission's Joint Research Centre defines resilience as the capacity of societies to respond to shocks or changes by resisting, adapting, or transforming the system. Nevertheless, within the European Union, there needs to be a universally accepted definition, and the current definitions are merely responsive rather than proactive in effectively anticipating and preparing for future disruptions. Furthermore, being reactive is insufficient in a volatile and constantly evolving world.

The concept of resilience gained prominence in academic and business circles following the onset of the COVID-19 crisis. However, like the European Union, numerous publications primarily concentrate on companies' operational recovery and response-ability rather than proactive adaptation. Consequently, the strategic dimension of resilience must be addressed in companies and research, which involves preparing and fortifying a company's business concept to endure or prosper in the face of adversity.

Resilience has long been prominent in both scientific and societal contexts. Strategic resilience originates from the Latin term 'resilience' and refers to recovering or returning from a particular event (Iborra et al., 2020). The concept has been applied to various domains, where it refers to the ability to withstand and react to a sudden disturbance, whether it originates from within or outside, and subsequently regain stability (Annarelli & Nonino, 2016). The term "exogenous disturbance" was initially employed in ecology to describe how an ecological system responds to external disruptions. It has since been adopted in various other disciplines, such as finance, engineering, psychology, and socioecology, albeit with slight variations in definitions within each field. The study of managing uncertainty and unexpected events, as well as the process of recovering from them, is a crucial area of focus in business management science. Resilience is gradually becoming a topic of interest in the business world, as evidenced by articles discussing the factors contributing to a company's survival in times of adversity or ongoing uncertainty (Morais-Storz et al., 2018). Numerous researchers examine the notion of resilience within the business realm, specifically organizational resilience. Examples of such studies include those conducted by Belalcázar et al. (2017), Hillmann and Guenther (2021), and Slagmulder and Devoldere (2018).

Strategic resilience refers to the ability of companies to effectively navigate and adapt to uncertain or disruptive events, such as the COVID-19 outbreak, the collapse of international supply chains, or the 2008 financial crisis (Iborra et al., 2020). In addition, Linnenluecke (2017) expands on organizational resilience by

examining why certain companies are better equipped or achieve tremendous success in the face of adversity than others. Nevertheless, the precise definition of organizational resilience remains unclear, and various researchers incorporate different elements into their understanding of it. The definitions encompass various aspects of resilience, such as the organization's capacity (Annarelli & Nonino, 2016), a distinctive attribute (Belalcázar et al., 2017), or as "abilities, actions, and behaviors" (Iborra et al., 2020), and resilience as a skill (Hillmann & Guenther, 2021; Gunderson & Pritchard, 2003). The output of resilience includes the ability to face disruptions and unexpected events in advance, successfully cope with and return to a normal state, anticipatorily innovate and do it repeatedly, bounce back, maintain functions and recover fast, keep long-term sustained performance, anticipate, deal with and recover, be absorptive, adaptive, and restorative, and persist, regenerate, and maintain existing organization. The need for resilience can be triggered by various factors, such as internal and external changes and events (Belalcázar et al., 2017), disruptions and unexpected events (Annarelli & Nonino, 2016), disruptions (Gunderson & Pritchard, 2003), and adversity (Hillmann & Guenther, 2021).

These definitions present similarities and differences in creating or attaining resilience and understanding what resilience entails (capabilities versus characteristics). Additionally, there is a debate on whether resilience is primarily a reactive process (persisting, regenerating, and recovering) or a proactive one (anticipating and adapting). Iborra et al. (2020) attempt to distinguish between three distinct states of resilience based on their observed differences. Firstly, organizational resilience pertains to handling events that threaten stability and security. Secondly, organizational resilience is viewed as an outcome encompassing the ability to resist, respond, and recover from such events. Lastly, strategic resilience is defined as the capacity of a firm to withstand and recover from challenges, which is influenced by the firm's capabilities and resources. Nevertheless, Iborra et al. (2020) determined that scarcity can be observed at the strategic level of organizational resilience. In contrast, Vidal et al. (2014) divided organizational resilience into two categories: operational resilience and strategic resilience. Operational resilience refers to a company's capacity to effectively handle and bounce back from internal and external challenges or disruptions (Vidal et al., 2014). On the other hand, strategic resilience refers to the ability to react to an opportunity (Morais-Storz & Nguyen, 2017) or to continuously anticipate and adapt to significant, long-term trends that could permanently damage the profitability of a primary business. Adapting before the need for change becomes extremely apparent is crucial. According to Välikangas (2016), strategic resilience is an organization's ability to progressively and robustly pursue opportunities in a competitive environment. This pursuit should contribute to the organization's ability to adapt to change without causing financial or other crises.

Strategic resilience was initially introduced by a few researchers who focused on this particular aspect of resilience from the beginning (Hamel & Valikangas, 2004). The view of resilience based on stability or recovery can be differentiated from that of resilience based on strategic resilience based on continuous renewal and transformation (Valikangas, 2016). The term refers to the capacity of the organization to make proactive changes to avoid potentially dangerous situations or lessen the impact of those situations (for example, Hamel and Valikangas 2004). Despite being established in 2003, research on strategic resilience is still in its early phases.

In conclusion, for a company to endure within a dynamic environment over an extended period, it must possess resilience resources, such as a knowledge base, time, human resources, and financial resources, and construct and realize resilience capabilities, such as anticipation and preparation.

## 2.2 Strategic Agility

The notion of strategic agility has gained substantial attention because it is believed that the most successful organizations can rapidly adapt to changes in the external environment. These organizations can modify and improve their operations to achieve their strategic goals and objectives. The comprehensive concept covers flexibility and adaptability (Nijssen & Paauwe, 2012).

Doz and Kosonen (2008) popularized the term 'Strategic agility' in their book "Fast Strategy," which was derived from their research on companies that exhibit this capability. This statement implies that an organization can act promptly, decisively, and efficiently. Additionally, it suggests that the organization can initiate, predict, and benefit from environmental changes (Doz & Kosonen, 2007b; Jamrog et al., 2006). Strategic agility refers to the capacity to efficiently and promptly utilize and exploit the resources available throughout the organization to meet customers' demands (Roth, 1996). Sull (2009) posits that strategic agility involves identifying and capturing transformative opportunities.

Strategic agility draws upon a range of management theories that pertain to achieving organizational success during periods of turbulence. We employ the theoretical framework of dynamic capabilities (DC) to enhance our comprehension of Strategic agility. Dynamic capability refers to a firm's capacity to effectively incorporate, develop, and adapt its internal and external competencies and resources to respond to rapidly changing environments. This concept was introduced by Teece et al. (1997), further developed by Helfat et al. (2007), and expanded upon by Helfat and Peteraf (2015). Sambamurthy et al. (2003) and Goldman et al. (1995) have also recognized strategic agility as a dynamic capability.

The definitions allow us to analyze and differentiate the concept of strategic agility in terms of organizational strategic agility. Firstly, it surpasses the ability to sense and respond to organizational changes by proactively

allowing companies to make dynamic competitive moves. This includes reacting positively to changes imposed by others and initiating strategic shifts to create new market conditions. Strategic agility refers to the capacity to consistently modify and refine the strategic course of action within the fundamental operations of a business, resulting in the development of novel products, services, and business models.

Furthermore, strategic agility does not imply the absence of a strategy but rather highlights the importance of strategic thinking, a well-defined vision, and a collaborative approach to developing and implementing strategies (Long, 2000). An individual's capacity to anticipate, imagine, adapt, think strategically, and collaborate with others to bring about changes that will produce a sustainable future for the company is what the term "strategic leadership" means. (Ireland & Hitt, 1999). Strategic leaders are responsible for promoting innovative strategic thinking and facilitating the swift adoption of organizational changes necessary to improve firm performance, even if challenging.

Furthermore, strategic agility places great importance on a company's ability to transform itself into a knowledge factory, a more sophisticated and advanced learning organization (Roth, 1996). It enhances an organization's ability to develop and learn complex problem-defining and problem-solving strategies (Lei et al., 1996). Additionally, it utilizes organizational learning theory, which focuses on acquiring insights, knowledge, and connections between past actions, their effectiveness, and future actions (Huber, 1991).

Strategic agility is the capacity to modify or rearrange current significant capabilities. It is a skill that must be cultivated by the company and cannot be acquired by purchasing resources from factor markets. A senior management commitment to identify and rectify organizational inflexibilities in existing structures, processes, and beliefs is imperative for developing resource reconfiguration capabilities (Doz & Kosonen, 2010). As strategic agility is still developing, numerous researchers have expressed their opinions on the true nature of strategic agility. Doz and Kosonen (2008) identified three dimensions of Strategic agility.

Critical sensitivity to strategic hazards and opportunities and the capacity to react accordingly constitute strategic sensitivity. Collective commitment means a shared dedication and responsibility towards a common goal. Resource fluidity refers to flexibility and adaptability in allocating and utilizing resources.

Strategic sensitivity refers to the capacity to anticipate market events and advancements ahead of competitors (Beer & Eisenstat, 2004; Doz & Kosonen, 2008). It involves actively seeking and embracing a wide range of information, knowledge, and advancements by establishing and nurturing connections with diverse individuals and organizations (Doz & Kosonen, 2008). Therefore, companies must have a market-oriented approach to recognize the necessity for change. Organizational culture is a crucial element and a prerequisite for a learning orientation, as stated by Slater and Narver in 1995. Developing essential behaviors to generate superior customer value is called market orientation. This is accomplished by acquiring market intelligence, reacting to market conditions, and delivering exceptional results consistently for the organization. (Naver and Slater, 1990; Baker and Sinkula, 1999; Jaworski and Kohli, 1993).

Collective commitment refers to the mutual dedication of the leadership and employees throughout the organization toward achieving the organization's goals (Beer & Eisenstat, 2000; Doz & Kosonen, 2008). South Africa assumes the ability to establish a collective dedication to attaining these objectives and cooperate with all parties involved to implement strategies swiftly.

Collective commitment refers to reaching decisions collectively with the entire management team, ensuring that all team members are dedicated to achieving collective success rather than advancing their interests. It is necessary for executives working for strategically agile firms to make judgments quickly, and they frequently do not have the luxury of time to study the situation in great depth or speak with their superiors, peers, or advisors. Because of this, effective decision-making requires collaboration among team members, unity among leadership, and dedication to achieving shared objectives. According to Doz and Kosonen (2010), leaders who engage in dialogue and debate with other senior managers foster collective commitment, even when there are genuine and open disagreements.

According to Doz and Kosonen (2008), resource fluidity efficiently distributes essential resources to support future growth and progress. Quickly adapting available resources and capabilities is necessary to take advantage of environmental changes, whether threats or opportunities (Teece, 2007).

Englehart and Simmons (2002) highlighted that organizational structure and policies are crucial for facilitating flexibility and strategic agility in organizations. Doz and Kosonen provide a detailed description of various organizational conditions and mechanisms that are associated with the capacity to gather resources. Firstly, business and management processes must be highly flexible and closely aligned. Furthermore, it is crucial for the organization to minimize its dependence on inflexible obligations to partners and customers, as these commitments limit its capacity to adapt to emerging market challenges or opportunities. Ultimately, they characterize the absence of a rigid framework as the ability to make deliberate choices regarding the course of action, unrestricted by the constraints imposed by the existing structure.

Their research suggests that organizations with more adaptable management structures, including matrix-related structures, are more successful in developing resource fluidity.

Long (2000) presents a comprehensive six-dimensional assessment of strategic agility, which is crucial for achieving exceptional organizational performance (Pleshko & Nickerson, 2008; Gatignon & Xuereb, 1997; Barney, 1986). The measures encompass the clarity of vision, which refers to a distinct and persuasive vision of the company's goals that embodies its strategic intent.

Understanding clients entails comprehending their desires, motivations, timing preferences, and preferred manner of receiving goods or services. Comprehending fundamental abilities is crucial for allocating necessary resources to activities that contribute to the growth, improvement, or transformation of capabilities, such as organizational knowledge, skills, processes, and expertise. Strategic target selection involves identifying opportunities based on a deep understanding of core capabilities to achieve the highest level of success. Shared responsibility refers to the extent to which a company collaborates with its value chain partners. Competitor intelligence refers to the understanding of the actions and strategies employed by rival companies. This includes knowledge of their strategic goals, value creation strategies, and approach to product, service, process, and market orientation. Implementing strategies that align with the long-term goals, maximizing the fundamental strengths, and motivating individuals with a clear sense of direction result in high situational awareness.

The literature extensively discusses the perception of strategic agility as crucial for a firm's long-term success and survival. Strategic agility is a developing field of study within the domain of strategic agility. This concept encompasses the capacity to identify, predict, and perceive market opportunities, changing circumstances, and other environmental shifts, promptly seize opportunities, and implement innovative solutions.

### **2.3 Organizational Performance**

Organizational performance is the systematic efforts to improve an organization's efficiency and productivity and its members' overall satisfaction and welfare through carefully planned interventions.

Organizational performance pertains to an organization's concrete results or accomplishments compared to its intended outputs, goals, and objectives (Jon & Randy, 2009). Regarding an organization's corporate image, competencies, and financial performance, it is the outcome that signifies or mirrors its efficiency or inefficiency.

Organizational performance is rooted in the notion that an organization is a voluntary union of productive resources, including human, financial, and capital assets. The primary responsibility of OP is to generate value. This concept encompasses a systematic approach to achieving value creation, which involves identifying the dimensions for measuring performance, training the controller who assesses the value, and identifying relevant opportunities for value creation (Carton, 2004). Identifying the individuals or groups interested in a project, enhancing the fundamental procedures, appropriate distribution of the human, material, financial, and information resources, and efficient and capable administration to establish a distinct and comprehensible plan by the employees (Kotler, 2000). The term "efforts" refers to the actions and behaviors carried out by individuals or groups within an organization, regardless of their level or nature. These activities can be driven by various factors such as equipment, financial resources, or collaborative work (Ho, 2008). The OP concept can be defined as the ultimate outcomes achieved by an organization. Measuring these outcomes is essential to accurately depict the organization's standing in the market and the effectiveness of its internal processes.

Paul & Anantharaman (2003) state that the primary objective of organizational performance is to attain higher performance or maximize wealth for the shareholders. Performance refers to an object's capacity to achieve specific targets or goals in a predetermined order (Laitinen, 2002).

Organizational performance encompasses various aspects such as strategic planning, operations, financial management, legal compliance, and organizational development. An organization can effectively achieve its objectives when employees comprehend their specific roles and responsibilities. Furthermore, continuous communication between management, leaders, and employees is crucial for establishing performance expectations, monitoring progress, and attaining favorable outcomes (Katou, 2008).

The performance of an organization can be assessed and defined as all the relevant aspects of performance that contribute to the overall existence and success of the organization as it effectively achieves its objectives (Flapper et al., 1996). Comprehensive performance measurement is necessary for all aspects of performance that are important for the survival and success of an organization, leading to its achievement and growth (Kaplan & Norton, 1996; Hillman & Keim, 2001). Performance measurement systems typically incorporate more than just financial metrics. Many competitors focus on understanding and leveraging the organization's strengths, weaknesses, tactics, strategies, and potential. This concept has been established by various researchers, including Day and Wensley (1988), Narver and Slater (1990), and Noble, Sinha, and Kumar (2002).

Organizational performance is directly linked to an organization's long-term survival and achievement. Organizational performance calculation is crucial in service and manufacturing organizations (Brynjolfson, 1993). Organizational performance is measured using a balanced scorecard proposed by Kaplan and Norton in 1992. The balance score used in this study comprises four dimensions: Financial Performance, Customer Performance, Operational Performance, and Learn and Growth Performance. Performance is a holistic metric encompassing various factors such as productivity, quality, and consistency. Indicators of performance may also include behaviors, outcomes, and relative measures that are founded on criteria. Instruments such as leadership and management development, in addition to notions of education and training, may be included among these indicators. The objective of these endeavors is to foster understanding and proficiency in critical abilities and performance management (Richard, 2002).

According to Kaplan and Norton (1992), the Balanced Scorecard is an indispensable instrument that provides assistance and a framework to ensure that a strategy is effectively translated into a logical set of performance measurements. The performance measurement system makes it easier to improve organizational alignment, which is necessary for successfully achieving goals and objectives. In 1998, Ittner and Larcker Organizations were able to prioritize non-financial or intangible assets with the assistance of strategic planning exercises centered on developing objectives.

Kaplan & Norton (1996) categorize Learning and Growth Performance into three main areas: employee capabilities, information system capabilities, and motivation, empowerment, and alignment. Employee capabilities are primarily assessed through three key measurements: satisfaction, retention, and productivity. Employee satisfaction is based on the understanding that content employees are more likely to have satisfied customers. Retaining qualified employees is recognized as crucial for the organization. Lastly, employee productivity is determined by the relationship between the total number of employees and the overall output. The capabilities of information systems recognize that employees' effectiveness is linked to the information systems available to them. These follow-ups must be prompt and precise to evaluate completed activities and make informed decisions. An information system with limited capacity significantly influences the effectiveness of the balanced scorecard, as it hampers the provision of accurate feedback, which is crucial for ensuring efficiency.

The balanced scorecard directs the performance evaluation toward achieving the company's objectives across the four perspectives. When creating the scorecard, managers consider the company's objectives and strategy. They then determine the key performance indicators to accurately forecast the company's long-term success. Some of these measures are leading indicators regarding operations, while others are lagging financial indicators. Managers must consider the connections between strategy and operations and how those operations will impact finances, both presently and in the future (Bamber et al., 2008).

### 3.0 Development of Hypotheses

#### 3.1 Strategic Resilience and Organizational Performance

Resilience is gradually becoming a topic of interest in the business world, as evidenced by articles discussing the factors contributing to a company's survival in times of adversity or ongoing uncertainty (Morais-Storz et al., 2018).

Strategic resilience refers to the ability of companies to effectively navigate and adapt to uncertain or disruptive events, such as the COVID-19 outbreak, the collapse of international supply chains, or the 2008 financial crisis (Iborra et al., 2020). In addition, Linnenluecke (2017) expands on organizational resilience by examining why certain companies are better equipped or achieve tremendous success in the face of adversity than others.

The notion of the resource-based view (RBV/RBT) has been extensively utilized in the research on organizational performance (Björndahl & Nilsson, 2023; Kero & Bogale, 2023; Björndahl & Nilsson, 2023; Ahmed et al., 2018).

Multiple studies have investigated the correlation between dynamic capabilities and organizational resilience across various industries (Pertheban et al., 2023; Barasa et al., 2018; Hillmann & Guenther, 2021; Afraz et al., 2021; Rezaei et al., 2022; Buzzao & Rizzi, 2023; Bustinza et al., 2019).

Numerous researchers examine the notion of resilience within the business realm, specifically organizational resilience. Examples of such studies include those conducted by Belalcázar et al. (2017), Hillmann and Guenther (2021), and Slagmulder and Devoldere (2018).

Research on organizational performance has shown that strategic resilience has dramatically enhanced the overall performance of organizations (Lengnick-Hall et al., 2011; Ortiz-de-Mandojana & Bansal, 2016; Xiao & Yin, 2018; Gorjian et al., 2021; Duchek, 2020; Pertheban et al., 2023; Shahul Hameed et al., 2022; Alharthy, 2018; Wang et al., 2022; Khuan, 2024).

In addition, a study by Pertheban et al. (2023) found that proactive resilience strategies significantly impact the performance of small and medium-sized enterprises (SMEs) in Malaysia's manufacturing sector. Cantante-Rodrigues et al. (2021) found that cultivating strategic resilience and WE can positively impact organizational performance. Ailincal (2023) explores the influence of resilience on employee engagement. Asare-Kyire et al. (2023) found that organizational resilience in innovation and firm performance in Ghana's hospitality sector was positively affected. Lanson and Austin (2024) found that strategic resilience positively affects organizations' adaptation to change. Nugroho and Lutfiyah's study (2024) found a significant positive impact of financial culture, risk management, organizational innovation, and organizational resilience on organizational performance. Suryaningtyas (2019) states that organizational resilience, directly and indirectly, influences performance.

Research on strategic resilience has found that it affects the performance of organizations in several sectors. Nevertheless, whereas studies indicate a robust connection between organizational success and strategic resilience, further study is required to establish conclusive findings in the university sector of Malaysia.

Therefore, it is crucial to investigate the influence of strategic resilience on the performance of private institutions in Malaysia. Thus, the hypothesis might be expressed in the following manner:

**H1:** Strategic Resilience positively impacts Organizational Performance in Malaysian private universities.

### 3.2 Strategic Agility and Organizational Performance

Strategic agility has become crucial for organizations' survival and sustainability in today's fast-paced and constantly evolving business landscape. Recent research studies, including those conducted by Muthuveloo and Ping (2020) and Arokodare and Asikhia (2020), have highlighted the positive impact of strategic agility on organizations' performance. Deploying strategies promptly and aligning with technological disruptions are critical components of this approach.

Strategic agility allows a company to effectively manage and implement the appropriate strategy direction at the proper time to improve overall organizational performance (Arokodare et al., 2024).

Dynamic capabilities and resource-based views are critical in strategic management. A firm's success depends on its resources and ability to adapt to the market. Dynamic capabilities are the key factor that explains competitive advantage, particularly in rapidly changing environments (Ambrosini & Bowman, 2009; Barreto, 2010; Eisenhardt & Martin, 2000; Wang & Ahmed, 2007).

Strategic agility draws upon a range of management theories that pertain to achieving organizational success during periods of turbulence. Researchers employ the theoretical framework of dynamic capabilities (DC) to enhance the comprehension of Strategic agility. Dynamic capability refers to a firm's capacity to effectively incorporate, develop, and adapt its internal and external competencies and resources to respond to rapidly changing environments. This concept was introduced by Teece et al. (1997), further developed by Helfat et al. (2007), and expanded upon by Helfat and Peteraf (2015). Sambamurthy et al. (2003) and Goldman et al. (1995) have also recognized strategic agility as a dynamic capability. Researchers rely on the research on dynamic capabilities and resource-based views to develop our understanding of Strategic agility.

Studies have demonstrated a strong positive relationship between a firm's dynamic capabilities and performance. For instance, research conducted by Danneels (2002) on five high-tech firms revealed that the ability to innovate products positively impacts a firm's competencies and performance. Similarly, a study by Zott (2003) found that even slight differences in a firm's dynamic capabilities can significantly impact its performance. Additionally, Luo (2000) discovered that utilizing dynamic capabilities can improve a firm's overall performance and expand its presence in the international market.

Research on organizational performance has shown that strategic agility has dramatically enhanced the overall performance of organizations (Arokodare et al., 2019; Munteanu et al., 2020; Vrontis et al., 2023; Muthuveloo & Koay, 2023).

Furthermore, a recent study by Arokodare et al. (2024) found that knowledge management and strategic agility are essential for improving organizational performance in Nigeria's upstream oil and gas sector. In addition, Lungu (2020) highlighted that strategic agility is recognized as a vital tool for enhancing firm performance. Yildiz and Aykanat (2021) found that strategic agility strongly impacts organizational innovation and firm performance. Furthermore, Chan and Muthuveloo (2022) discovered that strategic agility significantly mediates organizational performance in higher education in Malaysia.

Strategic agility research has discovered that it impacts organizational performance in different sectors. However, despite the studies suggesting a strong correlation between organizational performance and strategic agility, the research has not yet provided definitive results in Malaysia's universities sector.

Hence, it is imperative to research the impact of strategic agility on the performance of Malaysian private universities. Therefore, the hypothesis might be formulated as follows:

**H<sup>2</sup>:** Strategic Agility positively impacts Organizational Performance in Malaysian private universities.

## 4.0 Conclusion

The present study investigates the intricate correlation between agility, strategic resilience, and organizational performance. This study aims to improve our understanding of the complex relationship between these variables and contribute to developin

g the theoretical frameworks that support them. An analysis of the literature investigates the effect of agility and strategic resilience on the performance of an organization. The study provides an all-encompassing elucidation of strategic resilience, agility, and organizational performance, underscoring the criticality of these notions in attaining organizational goals. The anticipated impact of the study's results is a significant contribution to the academic and business communities' knowledge regarding the connection between strategic resilience, agility, and organizational performance. Additionally, the theoretical understanding produced from this study will add value to organizational strategy and management methodologies, ultimately aiding companies in attaining exceptional achievements amidst an ever-changing business landscape. The findings of this study indicate that agility and strategic resilience are pivotal determinants of an organization's performance. The research results have contributed to the current corpus of knowledge and may be applied to guide organizational strategy and management practices. By acknowledging the importance of strategic resilience and agility, organizations can formulate tactics that empower them to maintain flexibility and adaptability amidst fluctuations, culminating in remarkable long-term achievements. Nevertheless, this investigation is confined to a literature review as its foundation; additional research and empirical inquiry will further elucidate the findings.

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