The Effect of Organizational Culture on Strategic Agility to Enhance Organizational Performance in The Saudi Arabian Public Organizations

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Abstract

Saudi Arabia’s government organizations have undergone a transformation to build internal capacity and accomplish the ambitious goals outlined by the country’s strategy, Vision 2030. Strategy management has become widely utilized within the public sector as a guiding framework of the transformation process. However, the volatile and complex world produced by the technological revolution and economic changes and challenges is continuously producing new opportunities and threats with which the public and private sectors should cope. Neglecting the rising opportunities and threats could cause the strategic targets to become impractical and organizations to underperform. Consequently, there is a growing need for a resilient strategic solution that can obtain enough flexibility during strategic enhancement and enough stability during strategic success. The literature review addressed and proved the cruciality of strategic agility in enhancing private sector performance. In this research, organizational culture is observed as an essential factor in paving the way for strategic agility in the public sector. Through a literature review, a scientific survey, a confirmatory factor analysis approach, and structural equation modeling, this study aims to develop a model for public organizations in Saudi Arabia to comprehend the organizational culture’s influence on strategic agility to enhance organizational performance.

Keywords: Strategic agility, organizational performance, strategic management culture, structural equation modelling, Amos26