

-RESEARCH ARTICLE-

ASSESSING THE RELATIONSHIP OF STRATEGIC ALIGNMENT WITH STRATEGIC RESPONSE: MEDIATING ROLE OF STRATEGIC THINKING: PROSPECTIVE ANALYTICAL RESEARCH IN KARKH HEALTH DIRECTORATE - BAGHDAD / IRAQ

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—Abstract—

In light of the global repercussions of the recent Corona pandemic, past research examines the responsibilities of contemporary organizations to respond to these novel and complex challenges. In this setting, it is crucial to have the strategic tools to determine the magnitude, direction, and projected effects of environmental changes and develop adaptation and management plans by enhancing strengths and reducing

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weaknesses. Therefore, the present study aims to investigate the role of strategic thinking as a variable mediating between strategic alignment and strategic response. The research problem was established with various intellectual and applied problems, represented by an investigation into the understanding of levels of strategic alignment dimensions and their influence on levels of strategic response through strategic thinking. To fulfill the research purpose, a questionnaire based on a Likert five-point scale and sent to a sample of (95) respondents from the Baghdad Health Department - Karkh was developed as the primary data collection instrument. The statistical programs SmartPLS and SPSS were utilized for data analysis. According to research, strategic alignment, strategic thinking, and strategic response in the Baghdad Health Department, Al-Karkh, have positive and morally significant linkages and effects. Based on research findings, one of the most important recommendations is that administrative leaders in Karkh Health Directorate should focus on strategic thinking to improve strategic response and develop their skills and abilities in this area through specialized training courses.

Keywords: Strategic Alignment, Strategic Thinking, Strategic Response, Baghdad Health Directorate - Karkh, Iraq.

1. INTRODUCTION

Modern businesses should play a role in an environment burdened with significant issues, dangers, and rapid change, especially in light of the global repercussions of the Corona pandemic. To have tools that take a strategic approach to determine the scale, direction, and level of effects that environmental changes are anticipated to have, and then to develop strategies that will enable them to react to and contain these changes by increasing their ability to face challenges by enhancing their strengths and reducing their weaknesses. A strategic response can increase an organization's competitiveness but also has social and economic ramifications (Cox et al., 2018).

The concept of strategic alignment probably represents both a method and a structural obstacle to building a successful environment for countering threats. Although the early literature on strategic alignment tends to be theoretical and concept-based (Ilmudeen et al., 2019), much of the research on alignment is based on concepts from strategic management and contingency theory, which do not adequately explain the mechanisms and processes by which alignment is enhanced and competitive advantage is established (Shao, 2019). Despite this, there remains a strong desire to comprehend alignment in a dynamic setting (Ilmudeen et al., 2019). Alignment is believed to benefit companies in several ways, including providing direction and the flexibility necessary to respond to new opportunities (Chi et al., 2020).

In response to the fact that previous approaches to strategic planning were unable to anticipate the future in the field of management literature effectively, strategic thinking was established in the early 1990s (AlQershhi, 2021). For a considerable time, strategic thinking has been recognized as a crucial aspect of any organization's performance

(Partidário, 2021). It is essential for anticipating future shifts and determining the most suitable courses of action. Even though it was initially introduced to the subject of strategy twenty years ago, there is currently very little empirical study in this area (Blanco et al., 2020). During continual environmental change, the process of strategic alignment, the potential impact of strategic thinking, and the impacts of both on strategic reaction are intriguing research topics. Whereas this research presents an effort to develop strategic scenarios to confront organizational crises through the strategic thinking of leaders to achieve a strategic response in Iraqi health sector institutions based on a scientific methodology, to be a path followed by those institutions with direct contact, this research presents an effort to develop strategic scenarios to confront organizational crises through the strategic thinking of leaders to achieve a strategic response in Iraqi health sector institutions. We are currently witnessing health crises and climate change, which are accompanied by many dangers threatening both societies and institutions (Ilmudeen et al., 2019).

This article aims to clarify the notion of strategic alignment, as well as its potential and actual linkages with strategic thinking and strategic response. Three research questions are addressed in this article. How does strategic reaction relate to strategic alignment? How does strategic thinking influence strategic reaction, and what is the function of the organization's thinking processes in developing the strategic response? c) What effect does strategic alignment have on strategic response, with strategic thinking serving as a mediator? This research will be undertaken in several stages. First, we evaluate the literature about the studied variables, identify their differences, and extract concepts that can guide future research. Second, we examine the healthcare sector's study variables (strategic alignment, strategic thinking, and strategic reaction). Third, we develop logical conclusions on the relationships between strategic alignment, strategic response, and strategic thinking.

2. LITERATURE REVIEW

2.1 Strategic Alignment

Strategic alignment is aligning an organization's business strategy with its organizations, business units, support teams, external partners, and board of directors (Ilmudeen et al., 2019). Shao (2019) described it as the extent to which business strategy duties, objectives, and strategies are shared and supported by IT strategy. Further, Sabherwal et al. (2019) defined it as a methodology that considers the business environment through the interaction between business processes and strategy, i.e. It enables the organization to assess its ability to survive and determine how to fulfill its vision. J. Kim et al. (2020) show that it is the integration of important systems and processes and responds to external environment changes. Integration of human capital investment, knowledge development, and external creativity, according to Audretsch et al. (2022), provides performance enhancement and high productivity.

Moreover, [Ahmed et al. \(2022\)](#) indicated that it is a supportive and supportive process for the organization, as well as the primary and most important incentive for its employees, as it encourages them to work in a team spirit and increases their loyalty to the organization, thereby increasing its efficiency and effectiveness in achieving its goals. In addition, [Anamanjia et al. \(2022\)](#) noted that it is an internal and external process within a company or across several enterprises. Based on the preceding definitions of strategic alignment, researchers can create the following operational definition for this study: It is a strategic method that helps the company to articulate its decisions, integrates and implement them, and create an information technology-supporting organizational structure, thereby achieving its survival goals and vision following comprehensive strategies.

Regarding the significance of strategic alignment, [\(Sabherwal et al., 2019\)](#) indicated and suggested that its significance lies between information technology and complementary organizational capabilities, which enhances an organization's capacity to provide value to its information technology business and, ultimately, its competitive advantage and innovation. In addition, [J. Kim et al. \(2020\)](#) assert that the significance of strategic alignment is evident in light of two dimensions: vertical and horizontal alignment, as vertical alignment focuses on the integration of workers and strategies, whereas horizontal alignment focuses on the integration of business processes and customers, as well as enabling organizations to respond quickly to environmental changes and reap the benefits of competitive advantage. Treat it with the ability to identify these changes and restructure rapidly and with minimal effort. [Audretsch et al. \(2022\)](#) assert that it is crucial for senior management to ensure the success of adopting open organizational innovation and strategy implementation, which is contingent on the strategic arrangements of operational-level employees. [Anamanjia et al. \(2022\)](#) demonstrated that decision-makers tend to focus on less effective strategic priorities in a specific organizational environment when organizations are weak. In contrast, when strategic alignment is high, it focuses on more effective strategic importance that affects organizational performance and plays a role in the organization's success. Aligning and altering the organization's main systems, processes, and choices during the creation and implementation of strategies improves implementation. This necessitates a shared understanding of organizational goals and objectives among managers at various hierarchical levels and units. In addition, [Ahmed et al. \(2022\)](#) emphasized that its significance is clear by what it distinguishes, as demonstrated below:

- i. It is one of the primary aspects of policies that assist an organization in developing an information technology plan that meets its needs.
- ii. It is efficient to ensure the orderly accomplishment of goals.
- iii. It plays a crucial role in helping senior-level managers understand the significance of strategic information and its role in attaining the organization's objectives.

iv. Its use is an indicator that synchronizes strategic information planning with business planning activities and effectively supports the organization's strategies.

This research has used dimensions of strategic alignment (BSC, 2014) that define criteria for strategic alignment, as given below:

a) Culture & Beliefs Shared Capabilities: It has been explained (Ilmudeen et al., 2019) that an organization's culture, strategy, and operating setting must be compatible. The organization's culture and common ideas revolve around its perspective on strategy creation and implementation. There must be an adaptable culture and unanimity around the strategic imperative. In the absence of a shared strategy, personnel cannot completely support a strategy. Without a plan, the organization's direction will be unclear, and its culture will be incompatible. Therefore, a shared set of strategic objectives is required to form the strategy to be implemented and to facilitate alignment between the organization's culture and shared ideas. Tafti et al. (2019) explained that it is a pattern of common core assumptions that a group receives when solving problems that come from the external environment and integrating the internal environment that performs well enough to be considered real and are then taught to new members as the correct way to perceive, think, and feel created problems. Accept it. Lastly, according to Ren et al. (2019), the beliefs, values, and readiness to share information and expertise with others are identified and incorporated into the organization.

b) Organizational Capabilities: It is defined as the capacity of an organization to accomplish a coordinated set of actions utilizing organizational resources to achieve the desired outcome. It is crucial to the capability of companies to solve organizational problems effectively. (Ilmudeen et al., 2019) It is the capacity to successfully employ competitive strategies to thrive in a market and increase corporate value (Tafti et al., 2019). An organization can organize its real and intangible resources to perform an activity that enhances its performance. In addition, Tafti et al. (2019) noted that it is the capacity to accomplish a coordinated collection of actions utilizing organizational resources to reach a particular outcome.

C) Communications: Defined as fostering an organization-wide comprehension of strategy and its implementation, recognizing that effective communication and comprehension are essential for successfully implementing a plan. As a result of inadequate communication and misunderstanding, strategies are poorly formulated, and their objectives are unclear (Ilmudeen et al., 2019). In addition, Ahmed et al. (2022) argued that organizational communication is a functional task since it connects businesses' primary strategic concerns with their communication goals. According to Audretsch et al. (2022), from a communication standpoint, companies are comprised of various factors that influence their success. Consequently, since an organization is a system, communication is a component of that system and the most important factor in determining its success.

2.2 Strategic Thinking

It is thought that it has contributed to wide, general, and exhaustive conceptions that focus on the organization's future course in light of anticipated environmental conditions (AlQershi, 2021). In addition, Partidário (2021) demonstrated that it is the foundation for constructing new strategies capable of altering competition laws and presenting an entirely new perspective on the current situation. In addition, Blanco et al. (2020) noted that it is a vital component of strategy development and an intellectual, reflexive, and mission-oriented process that attempts to produce new strategies and can occur before, during, or after strategic planning. Similarly, Hunitie (2018) emphasized that it is the act of collecting, understanding, creating, and evaluating information and ideas to build a competitive advantage and a sustainable organizational capability. AlQershi (2021) defines it as identifying a pattern or common denominator among an organization's activities derived from its policies, goals, and objectives. Effective management requires the ability to identify the surroundings while retaining an open mind, according to Hunitie (2018). It is a position of organizational thought process that motivates intelligent activities and inspires the entire organization to work toward a goal (Partidário, 2021). In addition, Blanco et al. (2020) assert that it is a cognitive notion in strategic management that has a practical application in the person of a strategic thinker whose shared and unique characteristics influence the strategic behavior of an organization. Alomari (2020) has shown that it is the most important element of organizational success in a competitive context. It is conceptualized as a mental process that creates a strong market perception through innovation and control. Based on the preceding, researchers can explain that strategic thinking is the process of defining long-term goals and objectives that help the decision-maker prepare for the future by emphasizing structure and employing intuition and creativity to develop an integrated perspective for managing an organization strategically.

Strategic thinking is important because it creates a competitive advantage by finding actions that build and enhance distinctive customer values; this is accomplished through an awareness of market rules and innovative responsibilities (AlQershi, 2021). Its significance is also evident in the organization's need to find and adopt the right strategy, as the reason for an organization's success or failure may be the central question in strategy. That reason for regression and failure is frequently described as either strategic or operational, as strategic reasons relate to a weak or incorrect position in the market and a change in the technology that governs the determinants of demand and loss of competitive advantage by the project (Partidário, 2021). The significance of strategic thinking is further demonstrated by its defining characteristics, which are as follows:

- i. Strategic thinking is transitioning from a mechanical to a more creative approach.
- ii. focuses on a pragmatic approach and the application of cognitive ideas.
- iii. It is predicated on imagining a radically new future through environmental scanning and scenario planning (e.g. blue ocean).

iv. It depends on cluster patterns of thought, such as organizational, moral, creative, temporal, divergent, and critical thinking.

As [Blanco et al. \(2020\)](#) noted, the smart systems approach, a component of strategic thinking, plays a crucial role in boosting an organization's position in a highly competitive environment. These two viewpoints demonstrate that an organization employing an intelligent systems perspective can manage interactions with both internal and external surroundings, resulting in enhanced organizational productivity and, ultimately, enhanced performance. Further, [\(Alomari, 2020\)](#) that managers use it to determine the best way to make decisions. It was noted that its goal and results were achieved by developing a new strategy that achieves this goal, as we see the world changing daily according to the quality of life, which led to the need for rules and procedures. New to work and live, old models no longer work. Still, we cling to them to solve current problems, so we need strategic thinking as a societal addition and guide in solving today's problems and making the right decisions, as well as a tool to assist managers in implementing plans and utilizing opportunities that improve organizational performance.

The dimensions of strategic thinking have been selected based on the [Liedtka \(1998\)](#) scale, which has the following five dimensions:

a) Strategic Intent-Focused: It was viewed as a feeling of victory and the perception of a necessary leadership position, and it includes the processes of managing activities, motivating individuals, allowing space for individual and collective contribution, maintaining enthusiasm, and using the intent to continuously direct and allocate resources, allowing organizations to surpass their resources and capabilities [\(Alomari, 2020\)](#). In addition, [Shagerdi et al. \(2021\)](#) view it as a necessary leadership perception that creates a benchmark against which organizations will measure their success. Further, [\(Muriithi et al., 2018\)](#) explained the significance of the success of strategic intent when workers at all levels of the organization are aware of the goals and objectives and share a sense of obligation to communicate these challenges and when these challenges are expressed in light of the goals and objectives and with a focus on the organization's resources and core competencies, and when the organization's core competencies are visible to the customer. Focusing on an organization's capabilities and developing its core capabilities is crucial to accomplishing its strategic goals, even though core capabilities are rarely visible. Lastly, [Adim et al. \(2021\)](#) highlighted that it is a proactive approach to strategy formulation since it leads to the engagement of all members of the organization and the direction of resources, competencies, and developmental processes.

b) Thinking in Time: Individuals perceive that their time has a monetary value when they are paid by the hour; the percentage of the workforce paid by the hour increased significantly in the 1980s and 1990s and maintained these gains until 2012, and

considering time as perfect can have far-reaching effects on thoughts and behavior, i.e., individuals claim. Simply calculating their hourly compensation at work diminishes their motivation to volunteer for free, and considering the value of their time has far-reaching consequences on the decisions individuals make about their time (Alomari, 2020). Moreover, (Muriithi et al., 2018) described it as the ability to use an organization's memory in its context to construct the future, which is accomplished by utilizing accessible information about an organization's past and present to determine what must be done in terms of developing its future.

c) Hypothesis-Driven: Strategic intent offers the focus that enables individuals within an organization to mobilize and utilize their energy, focus their attention, fight distraction, and maintain concentration for as long as necessary to achieve the goal. In the dizzying spiral of change, this psychological energy may be an organization's scarcest resource, and only those who employ it will be successful. Consequently, strategic thinking focuses primarily on the ongoing development and reconfiguration of intent (Shagerdi et al., 2021). It is demonstrated through a hypothesis-driven procedure that displays leaders' ability to adjust organizational operations in response to environmental issues (Adim et al., 2021). Moreover, (Alomari, 2020) emphasized that the leadership must adapt their organizations to environmental concerns. Such an organization will seek fundamental long-term remedial actions and organizational structure modifications that will result in lasting and substantial improvement.

d) Intelligent Opportunism: Intelligent opportunism, which reinforces the planned approach and entails seizing favorable situations, must have a place within this mission-driven orientation. The problems associated with employing a well-defined strategy to effectively and efficiently guide organizational efforts must be weighed against the dangers of neglecting alternative strategies that are more suitable for an evolving context (Muriithi et al., 2018). In addition, (Nasroalahi et al., 2021) define it as an openness to new experiences that enables employees to use different tactics to adapt to a fast-changing corporate environment. In addition, Salamzadeh et al. (2018) demonstrated that leadership could concentrate on its efforts rather than organization and ensure that contradictory or restricted information does not impede the ability to make the appropriate judgments. The organization also identifies new competitive areas, as it demonstrates an awareness of the participation of managers in middle management and the extent of their awareness of organizational strengths and weaknesses, as well as an awareness of key strategic issues and consideration of inputs of strategies from lower levels of management that are suitable for a changing environment.

e) Systems Perspective: It is a conceptual model of an entire system of value production from beginning to end, and it comprehends interconnections within the chain. Individuals can discover their function within the wider system and the impact of their actions on other sections of the system as well as the outcome by adopting a systems perspective. This method considers the compatibility between the organizational, work,

and functional levels of strategy and the individual level. From a vertical perspective, strategic thinkers recognize linkages in a system from numerous angles and comprehend the relationship between companies, enterprises, and functional levels of strategies and the decisions they make in their daily lives. From a horizontal perspective, they also comprehend the relationships between departments, functions, suppliers, and purchasers (Shagerdi et al., 2021). Alomari (2020) highlighted that it is most effective for comprehending the intricacies inherent in results-based contract service systems, which require intricate patterns of coordination, collaboration, and integration of provider and customer resources and procedures. Collaboration and integration amongst them to create the common capacity needed to produce agreed-upon service outcomes is ultimately a function of the whole of parts, not simply individual aspects. This is the fundamental premise of systems thinking.

2.3 Strategic Response

It is a series of decisions and actions that lead to the formation and implementation of plans designed to fulfill an organization's goals in response to its environment (Myers, 2019). In addition, J. J. Kim et al. (2022) define it as the capacity of an organization, in collaboration with its customers and business partners, to (re)configure its resources and operations rapidly and smoothly in response to the business environment or by adopting the right steps. In addition, (Paik et al., 2021) highlighted that it is a measure done by the business to be in harmony with its surroundings. They also described how organizations respond to external influences, such as competition, which affect the creation, implementation, and evaluation of plans within an organization to attain its objectives. In addition, Bergeron et al. (2019) assert that companies design and implement plans to achieve their objectives through a combination of actions and decisions. Based on the previous, a strategic procedural response can be defined as a response process of a critical strategic nature due to associated dynamism and complexity; consequently, it is a process with a management approach in which an organization seeks to respond to various environmental changes and overcome them by utilizing its various capabilities and resources.

In terms of the significance of strategic reaction, the six strategic choices that a firm can employ in response to competition—cost leadership, relocation, product differentiation, market differentiation, avoidance strategies, and deterrence strategies—make this obvious. Myers (2019) elaborated on its significance by stating that organizations develop and employ different strategic responses based on their environment, capacity, competencies, and resources. This enables organizations to achieve a competitive advantage in their industry, as organizations in the same industry compete based on general orientation. Thus, organizations confronted with similar solutions behave differently in a particular industry. In addition, Paik et al. (2021) indicated that its significance lies in the organizations' need to be able to respond strategically as a prerequisite for enhancing their competitiveness in a changing environment

characterized by erratic consumer behavior, intense global and local competition, conflict with government policies, impeding creativity, and low purchasing power. Strategic response ownership and deployment capacity provide a great deal to businesses. The dimensions of strategic response have been borrowed from the [Mavengere \(2013\)](#) scale, which indicates that strategic response activities are separated into two groups, namely internal operations, based on resource flow and business process maturity. The other type pertains to external operations along two dimensions: business response to the environment and proactive business response to the environment.

a) Resources Flow: An organization can engage with customers and partners in its business network to rapidly and continuously reshape its mix of skills to facilitate a creative movement ([Lin et al., 2018](#)). Moreover, [J. J. Kim et al. \(2022\)](#) suggested that an organization's ability to draw necessary resources, talents, and knowledge, as well as to shift to them flexibly, is essential for its survival, growth, and competitive advantage. Moreover, [Paik et al. \(2021\)](#) stated that it is a dynamic, high-value, rare, difficult-to-imitate, and difficult-to-replace trait that can help a business sustain a competitive advantage.

b) Business Process Maturity: It is the recognition that processes have a life cycle or stages of development that can be defined, monitored, measured, and controlled at all times ([Myers, 2019](#)). Moreover, according to [J. J. Kim et al. \(2022\)](#), it is a management discipline that focuses on enhancing organizational performance through business process management. Moreover, [Paik et al. \(2021\)](#) highlighted that process maturity is a more comprehensive shift from business orientation, implying that attaining greater stages of maturity necessitates higher degrees of practical organizational abilities.

c) Business Response to Environment: [Bergeron et al. \(2019\)](#) have clarified that the shift to providing economic growth is not through a permanent increase in physical volumes for the implementation of permanently updated products and services but rather through an increase in the added value of goods sold that depends on innovations and alternative options for customers and the speed of Business response to qualitative change of this option. In addition, [J. J. Kim et al. \(2022\)](#) observed that the COVID-19 pandemic has uncovered significant deficiencies in businesses and supply chains concerning working conditions and disaster preparedness. According to the Organization for Economic Cooperation and Development, organizations' budgets will be irreversibly affected by how they respond to the COVID-19 situation. Generality and productivity as it recovers from the COVID-19 crisis, as firms find new methods to survive and expand, will require managers to seize chances and be more adaptable to change. Flexibility is a term in crisis management because it explains how companies adapt to their environment.

d) Business Proactive towards Environment: Workers are proactive and willing to take the initiative and demonstrate a high level of aggressive activity and anticipate and act or respond to future demands (Lin et al., 2018), which is the ability of an organization, in conjunction with its customers and business partners, to (re)configure its resources and operations quickly and smoothly (Paik et al., 2021). In addition, Myers (2019) showed that it is taking initiative, planning ahead, implementing preventative measures, and estimating the value of an alternative path before taking action. It is an organizational behavior related to the generation, dissemination, and response of organization information because organization information refers to knowledge of customers, especially their current and future needs, as well as knowledge related to the organization, particularly in the research and development process, and characteristics of competitors (Bergeron et al., 2019). Its purpose is to establish the organization's future direction and internal features and how to respond to external environmental elements (Paik et al., 2021).

3. HYPOTHESIS DEVELOPMENT

Strategic alignment is one of the most relevant approaches for business strategy requirements (Ilmudeen et al., 2019), as firms need to achieve a sustained competitive advantage (Shao, 2019). Moreover, (Chi et al., 2020) assume that rival firms within an industry exhibit representative patterns of the fundamental competitive strategies: (defenders, prospectors, analysts, reactants). This classification is predicated on the rate at which enterprises modify their products or markets to preserve compatibility with their surroundings in response to changing environmental conditions. Prospecting firms, for instance, typically have a robust competitive strategy for leading products and markets. This type of business operates in an environment marked by rapid and unforeseen change. This method involves corporate leaders spending more time scanning their corporate environment, which includes gaining an awareness of industry developments and innovations and the unpredictability or uncertainty of competitors and customers (Sabherwal et al., 2019). Consequently, the following hypothesis can be formed:

Hypothesis 1: Strategic Alignment (StAl.) Positively Affects Strategic Thinking (StTh.)

Under times of excessive rivalry, large firms attempt to modify institutional rules and models by building their aims and procedures directly into the institutional environment instead of relying on peer simulation (Audretsch et al., 2022). In the same context, Anamanjia et al. (2022) discover that large businesses are passively aligned with institutional influences but have discretion and can modify institutional norms proactively. The performance of businesses that match their strategy with the requirements of their competitive environment is significantly superior to those that do not. This suggests that strategy alignment with the environment significantly impacts an

organization's ability to recognize and address environmental challenges and capitalize on available opportunities (Partidário, 2021). Consequently, the following hypothesis can be formed:

Hypothesis 2: Strategic Alignment (StAl.) Positively Affects Strategic Response (StRe.)

Strategic thinking is formulating new and innovative guidelines that can rewrite the game's rules and map a different vision for the future (Bergeron et al., 2019). Or it may represent three distinct processes or activities, namely, gathering information, formulating ideas, and planning actions, with the emphasis that each process requires different thinking skills (Paik et al., 2021), also known as strategic foresight, which discusses the mission and vision of an organization, as well as how it achieves competitive advantage by anticipating and addressing issues (Cox et al., 2018). As strategic thinking is crucial to the ultimate objective of anticipating future changes and making strategic decisions (Partidário, 2021), it is the act of identifying alternative competition or business models that produce consumer value (AIQershi, 2021). Successful managers can recognize and utilize possibilities to adapt to environmental changes; that is, managers with strategic thinking can take advantage of opportunities (Blanco et al., 2020). Consequently, the following hypothesis can be developed:

Hypothesis 3: Strategic Thinking (StTh.) Positively Affects Strategic Response (StRe.)

Competencies are a blend of abilities and personal qualities that support intellectual and mental processes to address work-related issues in an organization's environment (Sabherwal et al., 2019). Further, Tafti et al. (2019) highlighted the significance of strategic alignment in a dynamic environment. However, some believe it is challenging to establish strategic alignment in such an environment, as the environment is constantly changing, requiring organizations to create new strategic priorities to keep up (Salamzadeh et al., 2018). To establish a synthesis and differentiation between strategic thinking, strategic planning, and strategic momentum, Shagerdi et al. (2021) devised a strategic thinking map that promotes strategic planning at the business level and strategic thinking at the departmental level. Consequently, the following hypothesis can be formed:

Hypothesis 4: Strategic Thinking (StTh.) Mediate Effects in the Relationship between Strategic Alignment (StAl.) and Strategic Response (StRe.)

4. METHODOLOGY

Several persons from the Baghdad Health Department - Karkh in the Baghdad capital region provided information for the current study. The primary data-gathering instrument was a questionnaire with three components. Strategic Response, Strategic

Alignment, and Strategic Thinking The items were evaluated using a 5-point Likert scale. The study sample included managers from all administrative levels of the department. The sample consisted of 95 participants. The nature and goal of the questionnaire were conveyed to the research participants after receiving clearance from the department's management. Respondents were contacted to provide truthful responses to questionnaire questions to the best of their abilities. This measure tries to mitigate the possible influence of employee reluctance and social desirability-based prejudice. Different intervals were used to disseminate questionnaires to compensate for the impact of common biases on data-gathering techniques (Pandey et al., 2021).

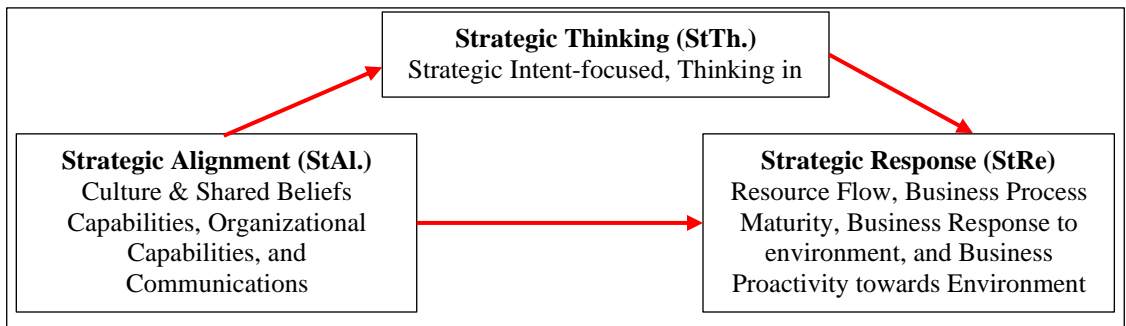
In the initial phase, questionnaires were mailed directly to the research sample. In the second period, the administration disseminated the questionnaire to respondents without the involvement of researchers. 95 out of 103 questionnaires were valid for analysis in the final sample acquired from both time periods. The response rate of 92% is satisfactory for paper questionnaires distributed in Asian workplaces. We collected a sample of (95) questionnaires, with (86) males and (9) females. (56%) of respondents were between the ages of (35-54) years old. (59) participants obtained a bachelor's degree, (20) participants obtained a board degree, and (7) participants obtained a master's degree. In comparison, (9) participants completed a doctorate in administration, medicine, technology and nursing, all of which serve the field of the department under study. Table (1) displays the demographic characteristics of the participants. The study explored three variables, as shown in Figure (1). All primary measures were based on those in the literature (Appendix 1):

- **Strategic Alignment (StAl):** It was evaluated according to three dimensions represented by (Culture & Beliefs, Shared Capabilities, Organizational Capabilities, and Communications), in (30) items.
- **Strategic Thinking (StTh.):** A structure consisting of five main dimensions was adopted according to the (Liedtka, 1998) scale: (Strategic Intent-focused, Thinking in Time, Hypothesis-driven, Intelligent Opportunism, Systems Perspective), in (25) items.
- **Strategic Response (StRe):** It was measured using the (Mavengere, 2013) scale. It has been designed according to four dimensions: (Resource Flow, Business Process Maturity, Business Response to the environment, and Business Proactivity towards Environment), in (10) items.

Table 1. Demographic Information of Respondents

Characteristics	Frequencies	Percentage
Gender		
Male	86	90%
Female	9	10%
Age		

< 25	12	13%
25-34	27	28%
35-44	23	24%
45-54	33	35%
Education		
Bachelor's	59	62%
Board	20	21%
MAS	7	7 %
PHD	9	10 %
Job Position		
General Director	1	1%
Executive Director	12	13%
Head of Department	22	23%
Division Manager	27	28%
Unit Official	33	35%
Specialities		
Medical	90	39%
Nursing	46	20%
Technical	21	9%
Administrative	39	17%

**Figure 1. Research Model**

5. RESULTS

5.1 Measurement Model Analysis

5.1.1 Reliability and validity measurement

Table (2) displays the findings of the e Average Variance Extracted (AVE) examination. The values greater than 0.5 imply that the convergent validity of the study's constructs has been proven. This Table gives a comparative analysis of reliability using Cronbach's alpha and composite reliability. The scores are larger than 0.7, indicating that the internal consistency of this study's research instrument is strong. Figure (2) depicts the results of

factor loadings with a value of at least 0.7, which is an acceptable measurement. Consequently, it might be asserted that the measurement paradigm of this study meets reliability and validity standards.

Table 2. Average Variance Extracted, Composite Reliability, and Cronbach's Alpha

Variables (dimensions)	AVE	Composite reliability	Cranach's alpha
Strategic Alignment (Culture and Beliefs Shared Capabilities)	.532	.899	.871
(Organizational Capabilities)	.563	.939	.928
(Communications)	.684	.956	.948
Strategic Thinking (intent-Focused)	.731	.931	.908
(Thinking in Time)	.629	.893	.849
(Hypothesis-Driven)	.802	.953	.937
(Intelligent Opportunism)	.646	.900	.860
(Systems Perspective)	.705	.923	.894
Strategic Response (Resource Flow)	.863	.927	.841
(Business Process Maturity)	.808	.926	.881
(Business Response to Environment)	.812	.928	.884
(Business Proactivity towards Environment)	.780	.876	.717

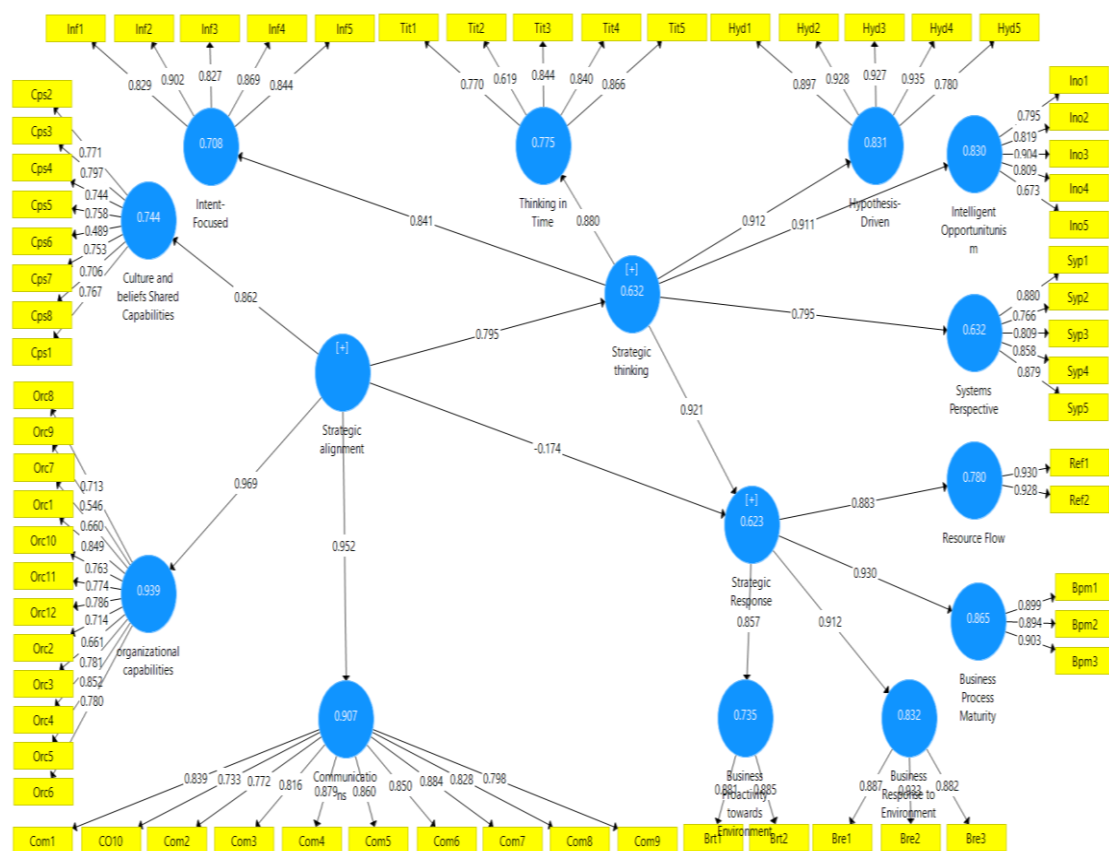


Figure 2. Structural Model

5.2 Descriptive Statistics and Correlation

Table (3) presents the results of descriptive statistics and correlation analysis. The mean and standard deviation values for Strategic alignment, Strategic thinking, and Strategic response are $M = 3.96$, $SD = .732$, $M = 3.97$, $SD = .730$, and $M = 3.93$, $SD = .831$, respectively. The Pearson correlation coefficient shows a positive and significant relationship between (StAl.) and (StTh.) ($r = .539$, $p < 0.1$), and also a positive and significant relationship between (StAl.) and (StRe.) ($r = .785$, $p < 0.1$). It also indicates a positive relationship between (StTh.) and (StRe.) ($r = .784$, $p < 0.1$). These correlations were expected in the study hypotheses.

Table 3. Mean, Standard Deviations, and Correlations Between Main Variables

Variables	M	SD	(StAl.)	(StTh.)	(StRe.)
Strategic alignment (StAl.)	3.96	.732	1	.785**	.539**
Strategic thinking (StTh.)	3.97	.730	.785**	1	.784**
Strategic response (StRe.)	3.93	.831	.539**	.784**	1

Note: $n=95$, ** $p < 0.01$

5.3 Tests of Hypotheses

This study examined the effect of Strategic alignment on Strategic response through Strategic thinking. Table (4) illustrates the outer loading, outer weight, and VIF for each indicator.

Table 4. Outer Loading, Outer Weight, and VIF for Each Indicator

Indicator	Outer loading	Outer weight	VIF
CPS1	0.767	0.195	3.698
CPS2	0.771	0.176	4.983
CPS3	0.798	0.190	2.391
CPS4	0.745	0.160	3.040
CPS5	0.758	0.179	2.669
CPS6	0.488	0.101	4.166
CPS7	0.753	0.173	2.490
CPS8	0.706	0.181	3.187
ORC1	0.850	0.125	2.469
ORC2	0.702	0.107	2.469
ORC3	0.641	0.092	1.926
ORC4	0.775	0.117	3.018
ORC5	0.861	0.125	4.686
ORC6	0.811	0.118	3.396
ORC7	0.735	0.108	2.870
ORC8	0.721	0.109	2.053
ORC9	0.556	0.078	1.580
ORC10	0.850	0.108	2.391
ORC11	0.743	0.114	2.669
ORC12	0.763	0.122	2.490
COM1	0.839	0.125	3.037
COM2	0.772	0.116	2.728
COM3	0.816	0.123	3.221
COM4	0.879	0.130	4.811
COM5	0.860	0.121	3.819
COM6	0.850	0.124	3.758
COM7	0.884	0.131	4.691
COM8	0.828	0.117	4.630
COM9	0.798	0.113	3.845
COM10	0.733	0.106	2.139

Table 4. Continued

INF1	0.829	0.239	2.424
INF2	0.902	0.253	3.466
INF3	0.827	0.201	2.525
INF4	0.869	0.242	2.650
INF5	0.844	0.233	2.490
TIT1	0.770	0.245	1.784
TIT2	0.619	0.193	1.545
TIT3	0.844	0.267	2.305
TIT4	0.840	0.269	3.217
TIT5	0.866	0.278	3.691
HYD1	0.897	0.227	3.704
HYD2	0.928	0.229	3.584
HYD3	0.927	0.238	1.582
HYD4	0.935	0.230	1.263
HYD5	0.780	0.190	2.243
INO1	0.795	0.260	2.047
INO2	0.819	0.251	2.627
INO3	0.904	0.261	3.672
INO4	0.809	0.248	2.308
INO5	0.673	0.225	1.523
SYP1	0.880	0.254	3.047
SYP2	0.766	0.240	2.294
SYP3	0.809	0.231	2.133
SYP4	0.858	0.228	4.042
SYP5	0.879	0.239	3.510
REF1	0.930	0.126	2.116
REF2	0.928	0.123	2.116
BPM1	0.899	0.375	2.429
BPM2	0.894	0.359	2.423
BPM3	0.903	0.379	2.492
BRE1	0.887	0.388	2.327
BRE2	0.933	0.370	3.477
BRE3	0.882	0.352	2.511
BPE1	0.881	0.561	1.455
BPE2	0.885	0.572	1.455

The structural model was used to show the mediating role of Strategic thinking, as shown in Table (5). The result shows that (StAl.) is positively related to (StTh.) ($\beta = 0.795$, $p < .001$), supporting H1. And (StAl.) shows a negative relationship with (StRe.) ($\beta = -0.172$, $p < .001$), not supporting H2. At the same time, H3 shows a positive relationship between (StTh.) and (StRe.) ($\beta = 0.919$, $p < .001$). To test H4, bootstrapping analysis was run to test the correlation of bootstrapping samples with a 95% confidence interval (CI) on 5,000 sub-samples, as suggested by Hayes (2018). Using SmartPLS software, (StTh.) mediating effect on the relationship between (StAl.) and (StRe.). Strategic thinking was validated. Hence, H4 is also supported.

Table (5). Path Coefficients, Mean, st. dev., *t*-test, and p-values

Effect	Hypotheses	B	Mean	St. dev.	t-test	p
Direct effect	(StAl.) \rightarrow (StTh.)	.795	0.798	0.040	20.850	0.000
	(StAl.) \rightarrow (StRe.)	-0.172	-0.158	0.154	1.118	0.264
	(StTh.) \rightarrow (StRe.)	0.919	0.905	0.120	7.678	0.000
Indirect effect	(StAl.) \rightarrow (StTh.) \rightarrow (StRe.)	0.731	0.723	0.107	6.813	0.000

6. DISCUSSION AND CONCLUSION

This study studied the association between Strategic alignment (StAl), Strategic thinking (StTh), and Strategic reaction (StRe) in a sample of Baghdad health departments. The study anticipated a favorable influence of StAl. On StTh. It also investigated the role of StTh. as a mediator in the connection between StAl and StRe. The study examined the reactions of 95 participants. The results demonstrated that StAl. had a beneficial effect on StTh. These findings are consistent with previous research. Such as, Shao (2019) claimed that strategic alignment is essential for organizations to acquire a sustainable competitive advantage. Ilmudeen et al. (2019) hypothesize that competing businesses demonstrate patterns of fundamental competitive strategies (defenders, prospectors, analysts, reactants). This strategy encourages corporate leaders to spend more time scanning their corporate environment, including understanding industry trends, innovation, and competitor and customer uncertainty (Chi et al., 2020).

Similarly, the study's findings supported the influence of StTh on StRe. These results are also consistent with previous research. In times of severe competition, huge organizations seek to modify institutional rules and models by defining their goals and procedures directly within the institutional setting (Partidário, 2021). In addition, Blanco et al. (2020) discover that large firms do not require They are passively aligned with institutional demands, yet they can shape norms. The performance of a business is enhanced by aligning its strategy with its competitive environment. This demonstrates that environmental strategy affects a company's capacity to identify and address environmental issues and capture opportunities (Hunitie, 2018).

In contrast, the study results did not support the Direct effect of StAl on StRe. However, the data validated the role of StTh as a mediator between StAl and StRe. These results are also consistent with previous research. Myers (2019) explained that skills are a combination of abilities and personality qualities that enhance intellectual and mental processes to address professional challenges. In addition, Paik et al. (2021) emphasized the need for strategic alignment in a dynamic environment. However, others argue that developing is difficult because the environment is always shifting, requiring businesses to establish new strategic priorities. Lin et al. (2018) created a strategic thinking map to compare and differentiate between strategic thinking, strategic planning, and strategic momentum. It promotes strategic planning at the enterprise level and strategic thought at the departmental level. In light of this, organizations should investigate mediating elements that can assist in predicting future opportunities and risks.

7. RESEARCH IMPLICATIONS

High degrees of strategic alignment between an organization and its surrounding environment will boost that organization's ability to predict and respond to events in a timely way, according to the findings of this study. Using strategic thinking to respond to opportunities promptly by employing systematic thought will also boost an organization's responsiveness to opportunities. In conclusion, strategic thinking increases an organization's capacity to seize opportunities. Organizations can therefore rely on strategic alignment to enhance their reaction to external situations. In addition, high levels of strategic thinking can increase an organization's capacity for strategic alignment, so strengthening the organization's responsiveness to adverse conditions.

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