International Journal of Innovative Social Sciences & Humanities Research 8(3):103-113, July-Sept., 2020

 www.seahipaj.org **ISSN: 2354-2926**

Strategic Agility and Organizational Performance of Deposit Money Banks in Rivers State

[1]Akintokunbo, Oluwarotimi Odunayo Ph.D & [2]Agi, Endurance

[1]Department of Management, Faculty of Management Sciences, Rivers, State University, Nkpolu-Oroworukwo, PMB 5080, Port Harcourt, Nigeria

[2]Department of Business Administration and Management, School of Business and Administrative Studies, Elechi Amadi Polytechnic, Rumuola, Port Harcourt, Nigeria

ABSTRACT

This study investigated the relationship between strategic agility and organizational performance of Deposit Money Banks in Rivers State. The study adopted the cross-sectional survey in its investigation of the variables. The primary source of data was generated through self- administered questionnaire. The target population of this study consists of 60 managerial staff of Deposit Money Banks in Port Harcourt. There was no need for sampling since the population was small. The reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70. Data generated were analyzed and presented using both descriptive and inferential statistical techniques. The hypotheses were tested using Spearman's Rank Order Correlation Statistics. The tests were carried out at a 95% confidence interval and a 0.05 level of significance. The results revealed that there is a significant relationship between strategic agility and organizational performance of Deposit Money Banks in Rivers State. The study thus recommends that Deposit Money Banks should build and develop its adaptive capacity to sense changes and respond efficiently and effectively in a timely and cost-effective manner in the internal and external environments.

Keywords: Strategic Agility, Organizational Performance, Timeliness, Profitability

INTRODUCTION

Business organizations in the past enjoyed a relatively stable environment and at such their environment at that time did not pose so many problems to them like it is now. The environment of business firms were characterized by many firms trying to satisfy their immediate environment and at such, their problems were peculiar to their vicinity, in order words, every organization in a particular location will tend to have similar problems and such like. These players that shape the environment of business organizations in the course of their activities pose a lot of challenges to firms operating in the same environment. The activities of these environmental players gave rise to increase in the volume of goods and services produced and this in turn gave rise to accelerated competition which we find in the world today and this have been on the increase (Akintokunbo, 2018).

In today's fast-changing business environment, both managers and individual contributors alike need to have a broad perspective and awareness of the cultural trends and business developments shaping the world (Kanyi, 2011). Leading companies worldwide are now facing faster systemic complex changes. Traditional ways of developing and implementing strategy will not work in the future. Operations optimized on 20th-century models of excellence will soon be obsolete. The new century has called for adaptability and agility in an emergent strategic context (Doz, 2012). The integration of the key elements that is organization, people, and technology; is the foundation for agility (Yusuf & Adeleye, 2002). Agility is a concept integrating organizations, people, and technology into a significant unit by using innovative information technologies and flexible and nimble organization structures to support highly-skilled, knowledgeable, and motivated people (Overby, Haradwaj & Sambammurthy, 2006).

Agility is the dynamic capability to anticipate and respond to challenges and opportunities with focused, fast, and flexible people, processes and technology. The successful leader, team, or organization will evolve, not through random mutation, but through purposeful and agile strategies that influence and respond effectively to unpredictable and shifting marketplace demands and world events (Horney, 2013).

Organizational agility is said to be the ability to deal with rapidly changing circumstances while out-executing the competition and stakeholder expectations is the core differentiator of businesses these days, whether they are competitors or not; the capacity to identify and capture opportunities more quickly than rivals do. It differentiates the winners from the losers, the victors from the victims, and the first from the worst, and determines which organizations survive and thrive, and which do not (Richardson, 2012).

Companies need to be able to identify and seize possibilities quicker than their competitors do to attain enhanced agility. According to Salih and Alnaji (2014), it includes carrying out a thorough evaluation of the key players in a business entity's external environment: vendors, consumers, and competitors. They should consider offering consumers value-added goods as their core competencies by focusing on improving reliability, versatility, cost-effectiveness, creativity, and marketing speed. They should be able to assess and identify fundamental factors required for tensile strength in a given area of sector expertise as the change today is rapid and dynamic, resulting from several difficult to foresee and unpredictable structural interactions.

The ability of organizations to adapt and to thrive amidst these changes which in most cases may not be favourable is at the heart of their survival. Organizations require suitable and conducive environments with a reasonable form of stability to be successful; such environments entail the socio-political, economic and cultural factors which invariably influence the workings of the organization (Bello, 2011 cited in Ejo-Orusa and Adim, 2018).

For contemporary firms, agility is imperative for success as they face unprecedented time-to-market pressures, globalization, and extra-ordinary competition. As argued by Vokurka, Zank, and Lund (2012) the most valuable effects of agility are being embraced and support more on the connection between agility and organization competitiveness. Firm’s agility and/or the capability to perform changes in diverse competitive ways with the destruction of competition, speed, and surprises’ attention as a market being able to compete efficiently in the recent market atmosphere (Sambamurthy, Chakravarty & Grewal, 2003). The present corona virus pandemic has created the need for strategic agility for the organization.

Organizations confronting the realities of a COVID-19 world find themselves managing challenging and unprecedented demands: redeploying talent, establishing remote workforces, building needed capabilities, propping up distressed supply chains, contributing to humanitarian efforts, choosing among firing / furloughing / retaining employees, and planning for reopening amid uncertainty (Worley & Jules, 2020). The COVID-19 outbreak is likely to cause bankruptcy for many well-known brands in many industries as consumers stay at home and economies are shut down (Tucker, 2020). In the US, famous companies such as Sears, JC Penney, Neiman Marcus, Hertz, and J. Crew are under enormous financial pressure. The travel industry is deeply affected; 80% of hotel rooms are empty (Asmelash & Cooper, 2020), airlines cut their workforce by 90%, and tourism destinations are likely to see no profits in 2020. Furthermore, expos, conferences, sporting events, and other large gatherings as well as cultural establishments such as galleries and museums have been abruptly called off. Consulting in general and personal services, like hairdressers, gyms, and taxis, have also come to a standstill due to lockdowns. Finally, important industries like the car, truck, and electronics industries have abruptly closed (although they started to open up two months after their closure). There are endless number of questions we could ask ourselves in connection to this rather abrupt close-down. For instance, how do we take care of employees in such situations? Why companies are not better prepared to handle such situations (e.g., putting aside earnings or thinking of alternative sources of income)? How are the companies and even countries using the current situation to enhance their competitive situation? (Rapoza, 2020).

The purpose of the study, therefore, was to examine the relationship between strategic agility and organizational performance of Deposit Money Banks in Port Harcourt.

This study was guided by the following research question:

i. What is the relationship between strategic agility and profitability of Deposit Money Banks in Port Harcourt?
ii. What is the relationship between strategic agility and timeliness of Deposit Money Banks in Port Harcourt?

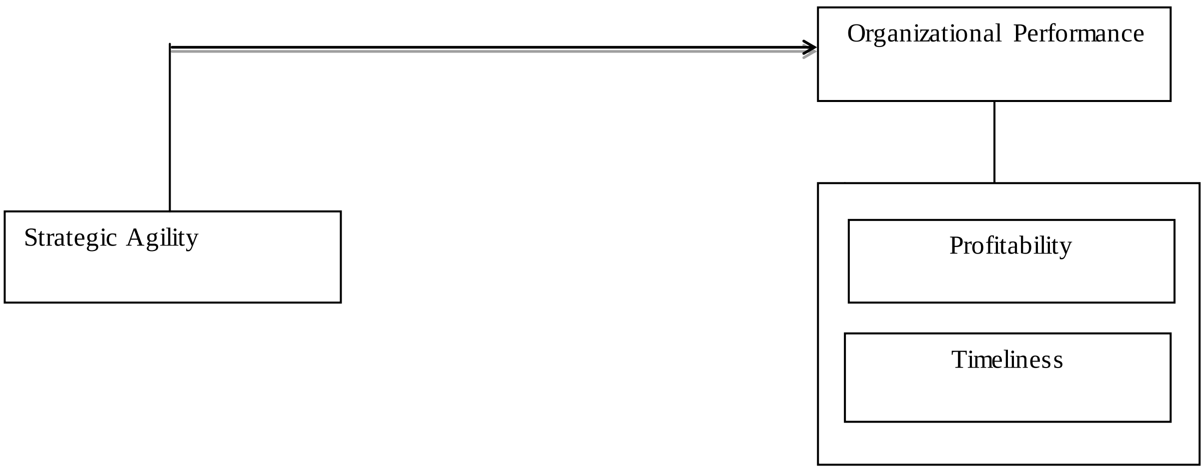

Fig.1 Conceptual framework for the relationship between strategic agility and organizational performance
Source: Author's Desk Research, 2020

LITERATURE REVIEW

Strategic Agility

Strategic agility is figuring out how to make quick turns and having the capacity to change and re-establish the association without losing force (Weill, Broadbent, and Subramani, 2012). Strategic agility can achieve associations that can deliver the correct items and administrations at the opportune place at the perfect time at the correct cost and for the correct clients. Strategic agility is the capacity to consistently and enough modify and adjust in suitable time the vital course in centre business in connection to evolving conditions (Weill, Broadbent and Subramani, 2012). This may incorporate making new items and benefits or making new plans of action and imaginative approaches to make an incentive for the organization (Swafford, Ghosh & Murthy, 2011). To achieve the desired level of agility, organizations usually use agility enablers which allow them to acquire and retain the necessary agile skills (Laschinger *et al.*, 2010). It is supposed that the drivers are the main factor of agility requirements (Ahmad & Loay, 2014).

Eisenhardt and Martin (2010) highlighted policies and organization systems as basic elements for facilitating agility and flexibility in the firms. The firms' arrangement and advances ought to clearly maintain their structures and competitive needs. A hierarchical structure is best adapted when there is a great requirement for completing and procedures through management. Then when suppleness is needed for an environment where sudden changes and more efficient communication are needed, a decentralized system or a flat structure is put up which can work effectively. A flat system organization can get profits and when individuals can be elastic in their work they can also improve and adapt to unexpected changes. Network/matrix kinds of managerial formations also help. The lesser hierarchical controls can get out extra originality from workgroups and people (Rowe, 2011). The formation of a firm restricts its quickness in most enterprises and corporations. An original policy often needs reorganization to meet the firm strategic goals. Even at that, the change can stay useless because the familiar parts of the firm are not incorporated when applying the change. Currently, many firms intend to be flexible and have many focus areas and directions. The formation gives more policy choices and directions as a key quickness enabler (Doz and Kosonen, 2008).

Strategic agility is the ability to continuously adjust and adapt strategic direction in the core business, as a function of strategic ambitions and changing circumstances, and create not just new products and services, but also new business models and innovative ways of creating value for a company. Goldman, Nagel, and Preiss (1995) defined strategic agility as being capable of operating profitably in a competitive environment of continually, and unpredictably, changing customer opportunities. Agility refers largely to the firm's ability to constantly adapt to changing and indeterminate environments (Lin, Chiu & Chu, 2006), where competitive advantage is often temporary, and frequent strategic moves are required (Chen, Katila, McDonald & Eisenhardt, 2010). Agility is particularly important in environments characterized by high competitive intensity (Grewal & Tansuhaj, 2001). Thus, from the dynamic capability perspective, agility can be understood as a key capability of the firm in dynamic environments (Fourne, Jansen, and Mom, 2014; Weber and Tarba, 2014). Agile firms can create dynamic portfolios of products, services, or business models to outmaneuver competitors (Dyer and Ericksen, 2005).

Organizational Performance

Performance is a major multi-dimensional construct aimed to achieve results and has a strong link to strategic goals of an organization (Mwita, 2010). According to Tangen (2005), performance can be described as an umbrella term for all concepts that consider the success of a firm and its activities. Performance can refer to actual results/outputs of certain activities, how an activity is carried out, or an ability to achieve results. Atkinson (2012) defined performance as the achievement of results ensuring the delivery of desirable outcomes for a firm‘s stakeholders.

Awino (2011) asserts that for an organization to be successful it has to record high returns and identify performance drivers from the top to the bottom of the organization. Njihia, Obara & Mauti, (2013) highlight performance measurement as one of the tools which help firms in monitoring performance, identifying the areas that need attention, enhancing motivation, improving communication, and strengthening accountability. Performance is equivalent to the famous 3Es, that is, economy, efficiency, and effectiveness of a certain program or activity (Richard, Devinney, Yip & Johnson, 2009).

Daft (2010) defined organizational performance as the organization's ability to attain its goals by using resources efficiently and effectively. Organizational performance is the ability of the organization to achieve its goals and objectives (Sok, O‘Cass & Sok, 2013). Performance can be assessed based on information obtained through primary resources or secondary resources. In general, performance can be measured taking into consideration two types of performance: financial performance and non-financial performance (Jarad, 2010).

Kiragu (2009) highlights performance in terms of four perspectives which are the financial, customer, internal processes, and innovativeness. The financial perspective identifies the key financial drivers of enhancing performance which are profit margin, asset turnover, leverage, cash flow, and working capital (Odhuno & Wadongo, 2010). The customer focus describes performance in terms of brand image, customer satisfaction; customer retention, and customer profitability. Njihia *et al.*, (2013) assert that the only worthy performance measures its financial performance because of its value to shareholders, executives, and the market. This measure is an indicator of organizational success and sustainability because it is the reason for the existence of firms. On the contrary, Ittner & Larcker (2009), claim that a firm‘s performance should not be measured by financial performance but also operational and market influencers. Non-financial measures have been deemed to be more effective in motivating managerial performance because they are more reflective of the overall corporate strategy (Banker *et al.*, 2012).

Measures of Organizational Performance

Profitability

Profitability refers to money that a firm can produce with the resources it has. The goal of most organizations is profit maximization (Niresh & Velnampy, 2014). Profitability involves the capacity to make benefits from all the business operations of an organization, firm, or company (Muya & Gathogo, 2016). Profit usually acts as the entrepreneur's reward for his/her investment. Profit is the main motivator of an entrepreneur for doing business. Profit is also used as an index for performance measuring of a business (Ogbadu, 2009). Profit is the difference between revenue received from sales and total costs which includes material costs, labour, and so on (Stierwald, 2010). Profitability can be expressed by either accounting profits or economic profits and it is the main goal of a business venture (Anene, 2014). Profitability portrays the efficiency of the management in converting the firm's resources to profits (Muya & Gathogo, 2016). Thus, firms are likely to gain a lot of benefits related to increased profitability (Niresh & Velnampy, 2014). One important precondition for any long-term survival and success of a firm is profitability. It is profitability that attracts investors and the business is likely to survive for a long period (Farah & Nina, 2016). Many firms strive to improve their profitability and they do spend countless hours on meetings trying to come up with a way of reducing operating costs as well as on how to increase their sales (Schreibfeder, 2006).

Timeliness

When the employees are productive, they accomplish more in a given amount of time. In turn, efficiency saves their company money in time and labour. When employees are unproductive, they take a longer time to complete projects, which cost employees more money due to the time lost (Olajide, 2000). The importance of higher productivity of the employees in the public enterprise cannot be overemphasized, which include the following; Higher incomes and profit; Higher earnings; Increased supplies of both consumer and capital goods at lower costs and lower prices; Ultimate shorter hours of work and improvements in working and living conditions; Strengthening the general economic foundation of workers (Banjoko, 1996). Armstrong (2006) stated that productivity is the time spent by an employee actively participating in his/her job that he or she was hired for, to produce the required outcomes according to the employers' job descriptions. As suggested by Bloisi (2003) the core cause of the productivity problems in South African society is people's motivation levels and their work ethics.

Timeliness according to Mayberry, Nicewander, Qin, and Billard (2006), can be referred to as the ability to reduce waiting times and sometimes harmful delays to clients by employees in attending to their needs. The scholar went further to emphasize that a high degree of responsiveness for an activity that is not essential in achieving the organization's goals does not contribute to the effectiveness of organizations; hence hindering their ability to become competitive. Timeliness refers to the delivery of value to customers at an appropriate time. This is distinguished from the notion of speed which typically refers to how fast an organization could be in producing and introducing valuable products to the market ahead of its competitors (Mayberry *et al.*, 2006). This simply goes to mean that speeding up the work that is being done does not necessarily translate to responsiveness even though it can certainly yield greater output.

The present business milieu has become greatly influenced by globalization and as such is consistently breeding hyper-competition among key players in various industries both locally and internationally. These circumstances have forced organizations to adopt various strategies that they intend to use in redefining their approach towards dealing with the needs of their customers. Most organizations today more than ever have adopted the concept of empowering their teeming customers as a panacea towards attaining the desired competitive advantage (Ekis & Arasli, 2007). However, organizations in their bid to respond to the challenges of environment and influence in business should focus on customer needs, wants, and retention ability by being prompt in their service and product delivery.

Keeping to deadlines or promptness according to these authors is necessary for attaining competitive advantage because the frequent meeting of the need of customers leads to increased customer loyalty, satisfaction, and retention. It could also be viewed as an approach that if adequately implemented, will tend to increase the cost of customers switching to close competitors. Additionally, the primary purpose of strategic management system enhancement has been to improve efficiency in the organization and strengthen strategic response capacity, as well as its capacity to attain and sustain competitiveness (Bourgeois, 1996; Stahl & Grisby, 1999; Mintzberg *et al.*, 1995).

Gunz and Lissack (1998) posits that enhancement of the strategic management system in the present-day business environment must involve the improvement of its systems and response to the need of its customers and environmental changes. Promptness is an organization's demonstrated capacity to react to changes in the environment as well as the frequency of such responses. This has to do with the firm's ability to choose appropriate strategic objectives, formulate and implement strategies effectively, achieve its objectives, and develop its resources in accordance with the changing environmental demands. Promptness, therefore, is perceived by customers with regards to the length of time they spent waiting for assistance, reply to enquiries or attention in attending to their problems (Ekis & Arashi, 2007).

Strategic Agility and Organizational Performance

Strategically agile companies not only learn to make fast turns and transform themselves without losing momentum, but CEOs and top management also have higher ambitions; to make their companies permanently, regularly able to take advantage of change and disruption (Doz & Kosonen, 2010). Traditional economic theory predicts that competitive advantage is short-lived especially in highly competitive markets as the one we are in today (Barney & Hesterly, 2012). Agility has emerged as the leading competitive vehicle for organizations operating in uncertain and ever-changing business environments and has been signalled as the business model of the 21st century (Tseng &Lin 2011).

Strategic agility evokes contradictions, such as stability with flexibility, commitment with change, and established routines with novel approaches. Being strategic depends on a stable, unwavering commitment to a future vision, and involves formal planning processes and established routines. Five to ten years ago, a firm could set its vision and strategy and follow it. That does not work anymore. Now firms have to be alert every day, week, and month to renew their strategies as and when the need arises to keep up with the competition (Pietilä, 2006). As companies grow, they fall prey to the toxic side-effects of growth, success, and industry leadership, finding it impossible to renew and change, thus losing some of the adaptive and flexible characteristics. They begin to have a tunnel vision and strategic myopia sets in. To regain and maintain growth, they need to learn to thrive on change and disruption (Doz & Kosonen, 2008).

In modern companies decisions of major importance are usually stuck in individual hesistancy and fear, mixed with bureaucratic politics, where speed and complexity have become a challenge for most companies (Doz & Kosonen, 2008). The competitive landscape has been shifting in recent years more than ever. Globalization, rapid technological change, codification of knowledge, the internet, talent, and employee mobility, increased rates of knowledge transfer, imitation, changes in customer tastes, and the obsolescence of products and business models have all caused a turbulent environment and accelerated changes and disruptions. These trends are expected to continue, producing ever more rapid and unpredictable changes (Weber & Tarba, 2014).

Heightened strategic sensitivity allows firms to identify opportunities for new business models and also to be sensitive to the timely need for the renewal and transformation of their existing business models. Excessive strategic planning increases the danger of inertia, as competitive advantages become entrenched and inhibit organizational responsiveness. Likewise, single-minded attention to change can undermine the development of core capabilities that provide the foundation for adaptation and learning (Lewis *et al.*, 2014). Organizational agility is the ability to recognize and seize opportunities available more efficiently than your rivals, how to continuously steer through turbulence, and not respond to a once off crisis. Strategic agility requires superior information, real-time understanding, and good judgement. Active and purposeful dialogues with key stakeholders allow companies to borrow their insights. The more the parties are involved in such strategic dialogues, the more opportunities there will be for breakthrough ideas and well-informed judgements (Horney, 2013).

For achieving the desired performance outcome, an enterprise should be able to measure and identify factors that are key for becoming flexible in that particular field of business. The objective of an agile enterprise is the satisfaction of its customers and employees and through acquiring the necessary skills a company can appropriately respond to changes in the economic environment. Agility enablers promote organizational performance (McCann, Selsky & Lee, 2009). In linking variables, companies might trade agility in one component for another based on strategic thinking.

In a competitive market, multiple capabilities might be required. Companies need to be ready to handle changing variables in the market. Such readiness is considered a strategic asset in enhancing company performance. Nour and Mahboobeh (2010) examined the analytical approach to effective factors on organizational agility. The researchers have classified these factors under three sections including drivers, capabilities, and enablers of the agility. The study found that the drivers, capabilities, and enablers of organizational agility enhance organizational performance in the four BSC perspectives.

Waweru (2016) undertook a study on strategic agility enablers and performance of small and medium enterprises in Kenya. The study found that organization structure, discontinuous innovation, human capital, management commitment, and support, information technology integration, and operational processes effectiveness affects the performance of small and medium enterprises in Kenya. The study also found that discontinuous innovations such as experimentation with new ideas and exploration of new paradigms affect the performance of small and medium enterprises in Kenya. The study found that staff skills, attitudes, experience, and competence are very significant in the performance of small and medium enterprises.

From the foregoing, it was thus hypothesized that:

Ho_1: There is no significant relationship between strategic agility and profitability of Deposit Money Banks in Port Harcourt.

Ho_2: There is no significant relationship between strategic agility and timeliness of Deposit Money Banks in Port Harcourt.

METHODOLOGY

The study adopted the cross-sectional survey in its investigation of the variables. The primary source of data was generated through self- administered questionnaire. The target population of this study consists of 60 managerial staff of Deposit Money Banks in Port Harcourt. There was no need for sampling since the population was small. The reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70. Data generated were analyzed and presented using both descriptive and inferential statistical techniques. The hypotheses were tested using Spearman's Rank Order Correlation Statistics. The tests were carried out at a 95% confidence interval and a 0.05 level of significance.

DATA ANALYSIS AND RESULTS

Bivariate Analysis

The level of significance 0.05 was adopted as a criterion for the probability of accepting the null hypothesis in ($p > 0.05$) or rejecting the null hypothesis in ($p < 0.05$).

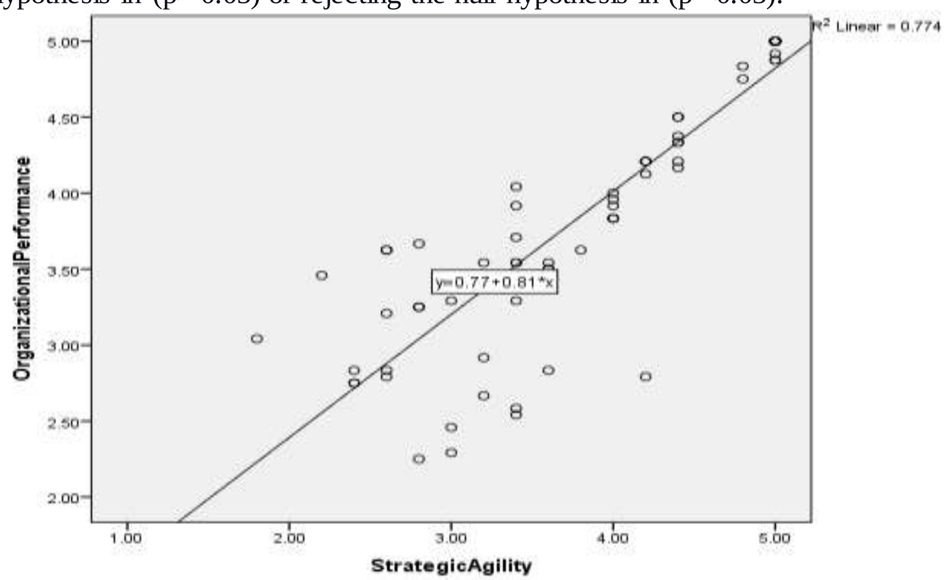

Figure 1: Scatter plot for relationship between strategic agility and organizational performance

Figure 1 shows a strong relationship between strategic agility (independent variable) and organizational performance (dependent variable). The scatter plot graph shows at R^2 linear value of (0.774) depicting a positive relationship between the two constructs. The implication is that an increase in strategic agility simultaneously brings about an increase in the level of organizational performance.

Table 1: Correlation for strategic agility and profitability

			Strategic Agility	Profitability
Spearman's rho	Strategic Agility	Correlation Coefficient	1.000	.757**
		Sig. (2-tailed)	.	.000
		N	80	80
	Profitability	Correlation Coefficient	.757**	1.000
		Sig. (2-tailed)	.000	.
		N	80	80

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Research Data 2020and SPSS output version 23.0

Ho_1: There is no significant relationship between strategic agility and profitability of Deposit Money Banks in Port Harcourt.

The correlation coefficient (r) in table 1 shows that there is a significant and positive relationship between strategic agility and profitability. The *rho* value 0.757 indicates this relationship and it is significant at p 0.000<0.05. The correlation coefficient represents a strong correlation between the variables. Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate held. Thus, there is a significant relationship between strategic agility and profitability of Deposit Money Banks in Port Harcourt.

Table 2 Correlation for strategic agility and timeliness

			Strategic Agility	Timeliness
Spearman's rho	Strategic Agility	Correlation Coefficient	1.000	.881**
		Sig. (2-tailed)	.	.000
		N	80	80
	Timeliness	Correlation Coefficient	.881**	1.000
		Sig. (2-tailed)	.000	.
		N	80	80

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Research Data 2020and SPSS output version 23.0

Ho_2: There is no significant relationship between strategic agility and timeliness of Deposit Money Banks in Port Harcourt.

The correlation coefficient (r) in table 2 shows that there is a significant and positive relationship between strategic agility and profitability. The *rho* value 0.881 indicates this relationship and it is significant at p 0.000<0.05. The correlation coefficient represents a very strong correlation between the variables. Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate held. Thus, there is a significant relationship between strategic agility and timeliness of Deposit Money Banks in Port Harcourt.

DISCUSSION OF FINDINGS

The tests of hypotheses revealed that there is a significant relationship between strategic agility and the indicators of organizational performance (profitability and timeliness) of Deposit Money Banks in Port Harcourt. This finding agrees Doz and Kosonen (2010) that strategically agile companies not only learn to make fast turns and transform themselves without losing momentum, but CEOs and top management also have higher ambitions; to make their companies permanently, regularly able to take advantage of change and disruption. Strategically agile firms utilize strategies aimed at being responsive and flexible to customer needs, while the risks of supply shortages or disruptions are hedged by pooling inventory or other capacity resources. Firms that have the capability to be responsive to the changing, diverse and unpredictable demands of customers on the front end, while minimizing the back end risks to supply disruptions (Lee, 2002) can be seen as strategically agile. If a company disregards the importance of agility, the consequences can be disastrous.

The study finding also confirms the views of McCann, Selsky & Lee (2009) that for achieving the desired performance outcome, an enterprise should be able to measure and identify factors that are the keys to becoming flexible in that particular field of business. The objective of an agile enterprise is the satisfaction of its customers and employees and through acquiring the necessary skills a company can appropriately respond to changes in the economic environment. Agility enablers promote organizational performance. Furthermore, this study's findings align with the findings of an earlier work done by Waweru (2016). The study found that organization structure, discontinuous innovation, human capital, management commitment, and support, information technology integration, and operational processes effectiveness affects the performance of small and medium enterprises in Kenya. The study also found that discontinuous innovations such as experimentation with new ideas and exploration of new paradigms affect the performance of small and medium enterprises in Kenya. The study found that staff skills, attitudes, experience, and competence are very significant in the performance of small and medium enterprises.

CONCLUSION AND RECOMMENDATION

For contemporary firms, agility is imperative for success as they face unprecedented time-to-market pressures, globalization, and extra-ordinary competition. As argued by Vokurka, Zank, and Lund (2012) the most valuable effects of agility are being embraced and support more on the connection between agility and organization competitiveness. This study concludes, therefore, concludes that strategic agility significantly positively influences organizational performance of Deposit Money Banks in Port Harcourt.

The study thus recommends that Deposit Money Banks should build and develop their adaptive capacity so as to sense changes and respond efficiently and effectively in a timely and cost-effective manner in the internal and external environments.

REFERENCES

Ahmad, A, & Loay, A. (2014). Impact of strategic thinking and strategic agility on strategic performance: A case study of Jordanian insurance industry companies. *International Review of Management and Business Research*, (3), 4-13.

Akintokunbo, O.O. (2018). Market focus strategy and organizational performance of telecommunication companies in Port Harcourt. *International Journal of Innovative Research and Advanced Studies (IJIRAS)*, 5(3), 258-263.

Anene, E. C. (2014). What difference does inventory control make in typical small scale farms' profitability? *International Journal of Management Sciences and Business Research*, 3(10), 1 –4.

Asmelash, L., & Cooper, A. (2020). Nearly 80% of hotel rooms in the US are empty, according to new data.CNNhttps://edition.cnn.com/2020/04/08/us/hotel-rooms-industrycoronavirus-rnd/index.htm

Banjoko, S.A. (1996). *Human Resource Management*. Lagos: Saban Publishers

Banker, D., Potter, G. &Srinivasan, D. (2012). Association of non-financial performance Measures with the financial performance of lodging chain. Cornell Hotel and *Restaurant Administrative Quarterly*, 46(4), 394-412.

Barney, J., & Hesterly, W. (2012). *Strategic management and competitive advantage: Concepts and cases (4th ed.).* New Jersey: Pearson.

Chen, E. L., Katila, R., McDonald, K. & Eisenhardt, M. (2010). Life in the fast lane: Origins of Competitive Interaction in new vs. established markets. *Strategic Management Journal,* 31 (13), 1527–1547.

Doz, Y. & Kosonen, M. (2010). Embedding Strategic Agility: A Leadership Agenda for Accelerating Business Model Renewal, Elsevier Ltd, 43

Doz, Y. (2012). Leadership for the twenty first century: Facing the collaboration gap" Korea Symposium May 10

Doz, Y. L., & Kosonen, M. (2008). *Fast strategy: How strategic agility will help you stay ahead of the game*. Pearson Education.

Dyer, L. & Ericksen, J. (2005). In pursuit of marketplace agility: applying precepts of self-organizing systems to optimize human resource scalability. *Human Resource Management*, 44, 183–188

Eisenhardt & Martin (2000). Dynamic capabilities: what are they. *Strategic Management Journal,* 21(10-11), 1105-1121.

Ejo-Orusa, H.E., & Adim, C.V. (2018). Strategic innovation management and organizational survival of hotels in Port Harcourt, Nigeria: The moderating role of organizational structure. *British International Journal of Education and Social Sciences,* 5(12), 25-40.

Farah, M., & Nina, S. (2016). factors affecting profitability of small medium enterprises (smes) firm listed in Indonesia Stock Exchange. *Journal of Economics, Business and Management*, 4(2), 132-137

Fourne, S., Jansen, J., & Mom, T. (2014). Strategic Agility in MNE's: Managing tensions to capture opportunities across emerging and established markets. *California Management Review,* 56 (3)

Goldman, S. L., Nagel, R. N. & Preiss, K. (1995). *Agile Competitors and Virtual Organizations: Strategies for Enriching the Customer.* New York, NY: Van Nostrand Reinhold

Grewal, R. & Tansuhaj, P. (2001). Building organizational capabilities for managing Economic crisis: The role of market orientation and strategic flexibility. *Journal of Marketing,* 65, 67–80.

Ittner, C. &Larcker, G. (2009).Coming up short on non-financial performance measurement. *Harvard Business Review,* 1(12), 88-95.

Jarad, A. (2010). Strategic planning and organizational effectiveness in Jordanian hotels. *International Journal of Business and Management,* 8(1), 11-25.

Jeneby, S. (2016). Need for strategic agility in organizations: a case study on adoption of strategic agility in the data and internet service industry in Kenya. Unpublished thesis submitted to United States International University Africa.

Kiragu, D. (2009). A Survey of adaptation of the balanced scorecard by selected companies in Kenya. Unpublished MBA Project. University of Nairobi.

Laschinger, H.K..S., Finegan, J.E., Shamian, J., & Wilk, P. (2010). A longitudinal analysis of the impact of workplace empowerment on work satisfaction. *Journal of Organizational Behaviors,* 24: 527-545

Lewis, M., Andriopoulos, C., & Smith, W. (2014). Paradoxical leadership to enable strategic agility. *California Management Review,* 56 (3)

Mayberry, R. M., Nicewander, D. A., Qin, H., & Billaird, J. (2006). Improving quality and reducing inequalities: A challenge in achieving best care proceeding. *Baylor University Medical centre*, *19*(2), 426-428.

Muya, T.W., & Gathogo, G. (2016). Effect of working capital management on the profitability of manufacturing firms in Nakuru Town, Kenya. *International Journal of Economics, Commerce and Management,* 1 (4), 1082-1105.

Mwita, J. I. (2000). Performance management model: A system-based approach to system quality. *The International Journal of Public Sector Management,* 13(1),19-37.

Niresh, J. A., & Velnampy, T. (2014). Firm size and profitability: A study of listed manufacturing firms in Sri Lanka. *International Journal of Business and Management,* 9, 57-64.

Njihia, M., Obara, M. & Mauti, M. (2003). The Critical Success Factors and Challenges in E-Procurement Adoption among Large Scale Manufacturing firms in Nairobi. Kenya. *European Scientific Journal*, 9(13), 375-401.

Ogbadu, E. E. (2009). Profitability through effective management of materials. *Journal of Economics and International Finance*, 1(4), 99-105.

Olajide, A. (2000). *Getting the best out of employees in a developing economy*. Ibadan: University of Ibadan, Nigeria organizational telecommuting. *Environment and Behavior* 34(3), 322-334.

Overby, E., Bharadwaj, A., & Sambamurthy, V. (2006). Enterprise agility and the enabling role of information technology. *European Journal of Information Systems* (15), 120- 131.

Rapoza, K. (2020). Watch out for china buying spree, NATO warns. Forbeshttps://www. forbes.com/sites/kenrapoza/2020/04/18/watch-out-for-china-buying-spree-natowarns/#623eada31758

Richard, P., Devinney, T., Yip, G. & Johnson, G. (2009). Measuring organizational performance: Towards Methodological best practice. *Journal of Management*, 35(3),718-804.

Richardson, M. (2012). Organizational Gym - Agility is King. *London Business Review*, 2

Rowe, R. H. (2011). *Temporal man: The meaning and uses of social time*. New York: Praeger Wiley.

Salih, A. A. & Alnaji, L. (2014). Impact of strategic thinking and strategic agility on strategic performance: A case study of Jordanian insurance industry companies. *International Review of Management and Business Research*, 3(4), 1871.

Sambamurthy, V., Bharadwaj, A. & Grover, V. (2003). Shaping agility through digital options: Reconceptualizing the role of information technology in contemporary firms. *MIS Quarterly*. 27 (2), 237-263.

Schreibfeder, J. (2006). Inventory Management: Analyzing Inventory to Maximize Profitability. Effective Inventory Management, Inc.

Sok, P., O'Cass, A., &Sok, K. (2013). Achieving superior S E performance: the Overarching role of marketing, innovation, and learning capabilities. *Australasian Marketing Journal*, 21 (3), 161-167.

Swafford, P. M., Ghosh, S. & Murthy, N. (2011). The antecedents of supply chain agility of a firm: Scale development and model testing. *Journal of Operations Management*, 24, 170–188.

Tangen, S. (2005) Demystifying productivity and performance. *International Journal of Productivity and Performance Management*, 54 (1), 34-46.

Tseng, Y. & Lin, C. (2011). Enhancing enterprise agility by deploying agile drivers, capabilities and providers. *Information Sciences, International Journal Archive*, 181 (17181(17), 3693–3708.

Vokurka, R.J., Zank, G.M. & Lund III, C.M. (2002). Improving competitiveness through supply chain management: a cumulative improvement approach. *Journal of Public Policy & Marketing*, 12, 14-25.

Weber, Y. & Tarba, S.Y. (2014). Strategic agility - state of the art. *California Management Review CMR*, 56 (3), 5-12

Weill, P., Subramani, M., & Broadbent, M. (2012). Building IT infrastructure for strategic agility. *Sloan Management Review*, 44.

Worley, C.G., & Jules, C. (2020). COVID-19's Uncomfortable revelations about agile and sustainable organizations in a VUCA World. *The Journal of Applied Behavioral Science* 1–5

Yusuf, Y.Y., & Adeleye, E.O. (2002). A comparative study of lean and agile manufacturing with a related survey of current practices in the UK. *International Journal of Production Research*, 40 (17), 4545–4562.