

## **Strategic renewal and its impact on organizational brilliance An analytical study of the opinions of a sample of employees in private banks in the central Euphrates governorates**

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**Abstract :** The current study aims to know the strategic renewal and its impact on organizational brilliance according to the opinions of a sample of workers in private banks in the provinces of Diwaniyah and Babel in the Middle Euphrates region in Iraq. To determine the importance of the study and the nature and level of interest in the banking sector in the study sample, the questionnaire form was adopted as a main tool for all data related to the field side of the study (135) questionnaires were distributed, and after sorting and verifying the data, the number of questionnaires suitable for analysis reached (124), with a response rate of (92%). The strategic renewal variable includes two dimensions: (exploratory strategic renewal exploitative strategic renewal), While the organizational brilliance variable includes three dimensions: (leadership brilliance, service and innovation brilliance, and knowledge brilliance). The current study sought to choose a number of main and sub-hypotheses related to correlations and influence relationships between the study variables. In order to answer the questions related to the problem of the study and reach the set goals, and in order to process the data, the study used many statistical methods, the most important of which are (normal distribution, arithmetic mean, exploratory and confirmatory factor analysis, and structural equation modeling) using the statistical program SPSS.25, the Smartpls program, and the Amos v.23 program, Cronbach alpha. The results of the study showed a direct effect of strategic renewal on organizational brilliance.

**Keywords:** strategic renewal, organizational brilliance.

### **The first topic: the methodology of the study**

#### **First: the problem of the study**

The conceptual difference between the writings of scholars and researchers about research variables is very clear, and through repeated interviews with workers in private banks (research sample), the researchers noticed organizational brilliance and awareness of the importance of research variables in the work environment, which may make it difficult for bank departments to deal with their employees. Based on the foregoing, the research problem can be **clarified with a set of questions:**

- “ A. What is the extent of the practice of strategic renewal in the researched organization?
- B. What is the level of organizational brilliance in the researched organization? c. What is the nature of the relationship between strategic renewal and organizational brilliance?
- D. Is there an impact of strategic renewal on organizational brilliance?

#### **2\_ The importance of research**

**a.** The current research attempts to test applied measures in a variety of global environments for the variables of the current study (strategic renewal, organizational brilliance).

**B.** The importance of the current research lies in the need of Iraqi banks to implement the strategic renewal in them as a complement to global interest because of its impact and contribution to achieving and enhancing organizational brilliance.

**c.** In light of the challenges and crises that are going through the current time, the importance of the current study is evident from the necessary and urgent need for strategic renewal in the private banks in the governorates of the Middle Euphrates, especially the research sample, in order to be able to get out of these challenges and crises safely and with the least possible damage.

#### **3 - Research objectives**

In light of the research problem and its importance, the most important objectives can be identified through the following: -

- a. Determining the level of work in the strategic renewal in the private banks in question.
- B. Determine the level of interest in the dimensions of organizational brilliance in the researched organization.

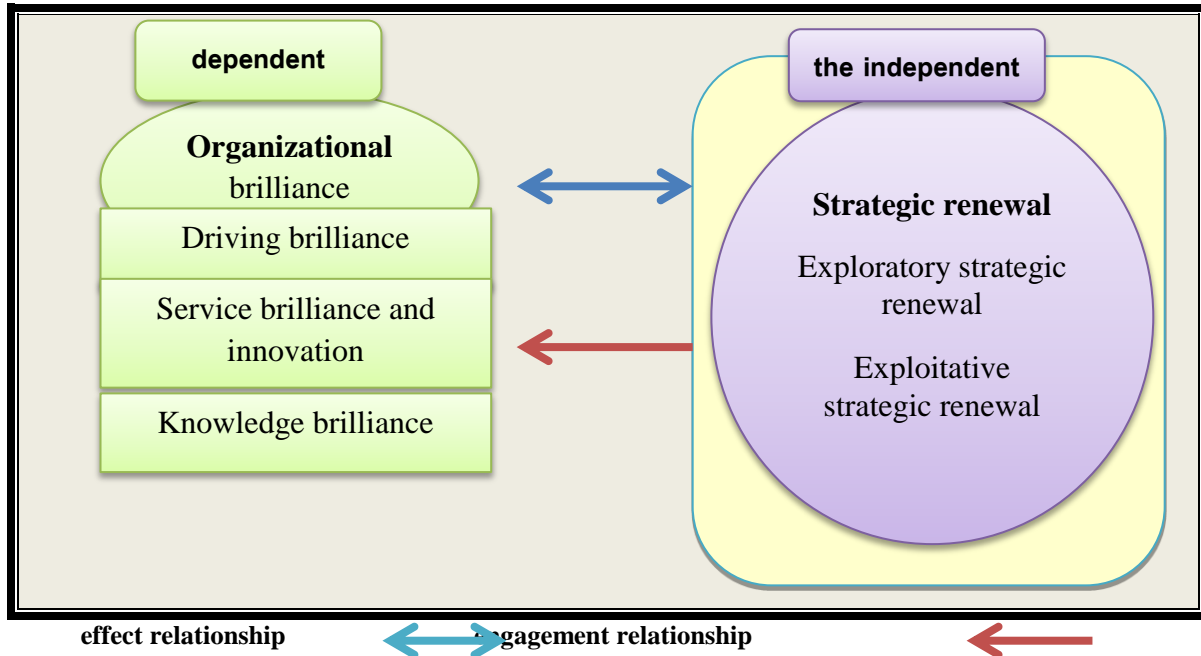
c. Testing the relationship between strategic renewal and organizational brilliance in the researched organization.

D. Testing the effect of strategic renewal on the organizational brilliance of the researched.

#### 4- The hypothetical scheme

of the research The hypothetical scheme reviews the visualizations drawn for the mixture of relationships that link the research variables through insights and cognitive contents to show the nature of the roles between the main research variables and their sub-dimensions, as in Figure (1)

**Figure (1) The hypothetical scheme of the research**



Source: Prepared by the two researchers

#### 6- Research hypotheses

The research is based on two main hypotheses:

**A - The first main hypothesis: There is a significant correlation between strategic renewal and organizational brilliance. The following hypotheses stem from it:**

There is a significant, direct correlation between exploratory strategic renewal and organizational brilliance.

There is a significant, direct correlation between exploitative strategic innovation and organizational brilliance.

**B- The second main hypothesis: There is a significant effect of strategic renewal on organizational brilliance. The following hypotheses stem from it:**

There is a significant positive relationship between exploratory strategic renewal and the organizational brilliance variable.

There is a direct and significant relationship between exploitative strategic renewal and the organizational brilliance variable.

#### 5 .Research variables, measures and procedural definitions

The current research consisted of two main variables, as shown in Table (1):

**Table (1) Research variables and measures**

| Variants                  | Dimensions of the measuring instrument | The number of paragraphs | approved scale  |
|---------------------------|--|--------------------------|---|
| Strategic renewal         | Exploratory strategic renewal          | 6                        | Schmitt et al., 2018:81) )<br>Al-Hakim et al., 2019:259 |
|                           | Exploitative strategic renewal         | 6                        |   |
|                           |  |                          |   |
| organizational brilliance | Leadership brilliance                  | 5                        | ))Al-Abedi, 2017: 160.((                                |
|                           | Innovation brilliance                  | 5                        |   |
|                           | Knowledge brilliance                   | 5                        |   |

## The second topic: the theoretical side

### First: the concept of strategic renewal

According to the Oxford English Dictionary (2010), the word “renovation” is defined as “making or becoming different” which includes replacement. In addition, renewal is considered one of the types of strategic change, which clearly distinguishes between the terms “strategic renewal” and “strategic change”. In the same regard, Jantunen et al., (2022:1) considers strategic renewal and from the administrative aspects, it has received increasing interest in recent times, because organizations looking for continuity in strategic renewal must make accelerated steps of renewal and put Effective mechanisms that ensure sustainability in organizations Organizations that adopt the concept of strategic renewal are a challenge in themselves, because it requires a shift from the usual forms of organizational practices and replacing them with other practices that are more compatible with the knowledge development process, the speed of information transmission within the organization and in all directions, and the provision of communication capabilities And to provide an opportunity for creativity, as renewal is an individual action, but rather requires an active partnership between the members of the organization at all levels. From the foregoing, table (2) presents some definitions of strategic renewal as follows:

|   | researcher and year         | Definition   |
|---|-----------------------------|--|
| 1 | (Floyd&Lane,2000: 154)      | A continuous evolutionary process associated with absorbing, enhancing and benefiting from new knowledge, skills and experiences in order to bring about change in the basic capabilities of the organization. |
| 2 | Ravasi, &Lojacono,2005:6) ( | Strategic renewal is improving the overall performance of organizations through actions or activities undertaken by organizations to change their strategic course.  |

**Source: Prepared by the researcher based on the sources contained therein**

### Second: Dimensions of strategic renewal

Adopting and applying strategic renewal in organizations is represented by the link between self-development of human resources and a high level of performance and adhering to total quality, as organizations that achieve excellence in their ability to learn will be more competitive. Especially since innovation will give it the ability to innovate new methods of production, marketing and distribution, and to satisfy customers. The renewal process is supported "by benefiting from the experiences" that the organization has gone through", "the use of specialized experts and trainers", "and securing a positive atmosphere that encourages" innovation "and allows freedom of expression" and suggestions to overcome mistakes( "Al-Hakim et al. , 2019:- )

#### 1 -Exploratory Strategic Renewal:

The idea of exploration and exploitation has been studied in a large body of literature such as organizational learning, organizational design, organizational learning, adaptation, knowledge management, and more. Therefore, these concepts have been used in various topics such as "product innovation", strategic alliances, "technology development" and "senior management teams (Lavie et al, 2010: 112)

#### 2- Exploitative strategic renewal:

Exploitation includes such things as selection, improvement, capabilities, production, achievement, and execution. Naturally, systems that engage in "exploitation except exploration" find themselves trapped in a stable, suboptimal equilibrium. One of the necessary strategies for organizations to survive and sustain is the exploration of new knowledge and the exploitation of existing knowledge by improving the uses of their current technologies, as well as taking advantage of new opportunities (March, 1991: 71).

## The second topic: organizational brilliance

### First: The concept of organizational brilliance:

Psychologists such as Diner (1984) took care of the concept of brilliance "through subjective well-being", referring to subjective well-being from a (cognitive perspective) (i.e. satisfaction with life and work) and an (emotional perspective) (i.e. affect positive and negative). Subjective well-being is deep well-being in the sense of feeling good, “avoiding pain,” “maximizing pleasure,” “perceiving shallow values” such as greed and possibly exploiting “others,” in contrast to “emotional” well-being, which focuses on how to “work properly.” Good and the life of “living satisfactorily”, being guaranteed with the life of “the individual himself” and the realization of the individual’ s potential. In contrast, (the psychological perspective) “focuses on the brilliance of the workers” in their

personal lives. Therefore, the performance and feelings of workers are related to work if they work effectively, because they feel “ positive” feelings towards work, and at the same time if workers suffer from a defect, they tend to experience negative feelings in life and this is the overlap between emotional and psychological well-being and good feelings And doing well leads to an increase in the brilliance of individuals, and this means that “ positive mental health” must be present” (Al-Abedi, 2021: 332)

**Table (3) presents some definitions of organizational brilliance as follows:**

|   | researcher and year               | Concept  |
|---|-----------------------------------|--|
| 1 | )Duncan, 2013: 184(               | It is the elimination of most of the obstacles facing new ideas.   |
| 2 | )Shirvani, & Iranban, 2014: 3010( | It is the maturity of the organization and its promotion in many aspects by achieving satisfaction for all individuals and establishing a balance between them, and this increases the likelihood of the organization’ s success in the long term. |

## **Second: Dimensions of organizational brilliance:**

### **Sixth: Dimensions of organizational brilliance:**

The key to organizational success lies in the brilliance of the organization, and for this reason some organizations focus on the personal self, given that each individual considers himself as an organization through the structures and techniques that it provides to its workers and there is a great role for its leaders in setting a compass towards effective business strategies and issuing directions according to the indicators of brilliance that they possess Providing the appropriate environment for workers to find and express themselves and themselves. On the other hand, working individuals must possess a set of unique characteristics that encourage them to innovate and create. This, in turn, is reflected in its height and immersion and high morals at work to be more glowing in the organization, and an example of an individual who is successful in his work, feels satisfied with his performance, reconciles with himself, and has more driving force than his colleagues. He will not need motivation in the future, but will be ready for any threats, and sometimes he works to create Challenges that feed his ambition and satisfy his (positive) inner conceit with the aim of doing more because he believes and includes the brilliance of the organization from a set of dimensions he identified (Al-(Abedi, 2017: 160) as follows

- **Leadership brilliance**

" One of the most important pillars of "modern management" is the brilliant leadership, "because modernity requires leadership with superior capabilities in order to be able to keep pace with and adapt to the latest developments and the changes imposed by the age of knowledge. There is no doubt that leaders who have a high sense of defining aspects of Shortcomings and problems in various fields, they have many opportunities towards increasing their ability to compete in their pursuit of brilliance Leadership studies tend to portray brilliant leaders as beings with unusually high moral standards and achieve extraordinary profits with the idea that “ only leaders can save us.” Weber writes about charisma and its religious connotations as a certain quality of an individual's personality according to which he is considered extraordinary and is treated as enjoying With supernatural or superhuman powers that are not within the reach of the average person (Spoelstra, 2009:380.(

### **2 .Service & Innovation brilliance**

Innovation is an aspect closely related to success and long-term survival, and organizations realize that it contributes to the creation of competitive advantages, and there are two aspects in the innovation process, namely technological innovation and psychological innovation, technological innovation includes “ new products and processes and significant technological changes to products and processes” while psychological innovation focuses On the characteristics of the innovator, innovative behaviors, and psychological mechanisms that guide innovation, as global companies seek to move towards the integration of products and services to provide value to customers, as well as the need for new strategic approaches to comprehensive human resource

### **3Knowledge brilliance**

Many researches and studies have dealt with the resources in organizations, their types and types, including resources known as knowledge, which represent intangible assets that are difficult to measure, vital and effective and are used increasingly and can be used in different processes at the same time, which are embodied in people who have a wide influence on the organization, and can be used For a long time (2011:34, Jelenic).

### **The third topic: the field aspect**

#### **Firstly. Statistical discrimination of variables and their dimensions**

The model that was tested in the current study depends on two basic variables, the first includes (two dimensions), while the second variable includes (three dimensions) and is shown in Table (4), in addition to the

number of elements that constitute its measurement structure and the symbols used within the statistical program.

**Schedule(4)**

**Statement of the variables, dimensions, number of questions and their symbols**

| variable                  | Dimension                         | The number of paragraphs | code |  |
|---------------------------|-----------------------------------|--------------------------|------|--|
| Strategic renewal         | Exploratory strategic renewal     | 6                        | Exp  |  |
|                           | Investment strategic renewal      | 5                        | Inv  |  |
|                           |                                   |                          |      |  |
| organizational brilliance | Driving brilliance                | 6                        | Lea  |  |
|                           | Service brilliance and innovation | 6                        | Inn  |  |
|                           | Knowledge brilliance              | 6                        | Kno  |  |

**.1Description and diagnosis after exploratory strategic renewal:**

This paragraph is concerned with descriptive characteristics of the exploratory strategic renewal dimension, which constitutes one of the dimensions of the variable (strategic renewal), which is expressed through six basic paragraphs (questions), as it is clear from the table ( ) that the paragraph with the highest arithmetic mean was the fifth paragraph, whose content is (investing new opportunities in local markets). The content of the question was with a high level of response and a relative importance of (80%). As for the lowest arithmetic mean, the share of the third paragraph, whose content was (introducing new services in the local market in order to test them), was (3.93), and it is a median with a high level of response, and its standard deviation reached (0.777). Its standard deviation was (0.820), which indicates the consistency of the answers of a sample about the availability of the exploratory strategic renewal dimension, with a high response level. These answers indicate that banks invest any opportunity available in the work environment quickly.

**.2Description and diagnosis after the investment strategic renewal:**

This paragraph is concerned with showing the descriptive characteristics of the investment strategic renewal dimension, which constitutes one of the dimensions of the variable (strategic renewal), which is expressed through five basic paragraphs (questions). It had a high response level and a relative importance of (81% ).

Schedule(5)

**Arithmetic means, standard deviations, response level, and ordinal importance of the investment strategic renewal dimension (n = 124)**

|                 | Phrase<br>Our bank works on:-   | SMA  | standard deviation | Relative importance | answer level | ordinal importance |
|-----------------|---|------|--------------------|---------------------|--------------|--------------------|
| 1               | Refine and develop existing services                                      | 4.06 | .740               | .81                 | high         | 1                  |
| 2               | Regularly implement small modifications to existing services.             | 3.94 | .746               | .79                 | high         | 3                  |
| 3               | Provide improved services for the purpose of competitive differentiation. | 4.04 | .714               | .81                 | high         | 2                  |
| 4               | Improving the efficiency of services provided to customers.               | 3.88 | .745               | .78                 | high         | 4                  |
| 5               | Increasing profit allocations for the success of the bank's work.         | 3.86 | .799               | .77                 | high         | 5                  |
| General Average |   | 3.96 | 0.749              | 0.79                | high         |                    |

Source: Spss V.25 output

**Third. Description and diagnosis of a regulatory fluorescence variant:**

The description and diagnosis of the regulatory luminosity variable includes the description and diagnosis of the paragraphs and dimensions of this variable in detail, and then the description and diagnosis of the variable in general, as follows:

**.1Description and diagnosis of after driving brilliance:**

This paragraph is concerned with showing the descriptive characteristics of the leadership brilliance dimension, which constitutes one of the dimensions of the variable (organizational brilliance), which is expressed through six basic paragraphs (questions). A question, it had a high level of response and a relative importance of (82% ).

As for the lowest arithmetic mean, it was the share of the third paragraph whose content was (rules, official policies, and banking work ethics), as it was (3.83), and it is a median with a high level of response, and its standard deviation reached (0.736).

The dimension (leadership brilliance) was generally with an arithmetic mean of (3.96), while its standard deviation amounted to (0.739).

#### Schedule(6)

**Arithmetic means, standard deviations, response level, and ordinal importance of leadership brilliance dimension (n = 124)**

|                        | Phrase  | SMA         | standard deviation | Relative importance | answer level | ordinal importance |
|------------------------|---|-------------|--------------------|---------------------|--------------|--------------------|
|                        | <b>Completion of business in our bank is done according to</b>        |             |                    |                     |              |                    |
| 1                      | Commitment to personal innovation in improving brilliant performance. | 3.92        | .728               | .78                 | high         | 4                  |
| 2                      | Frequent interest in new concepts and practices                       | 3.93        | .723               | .78                 | high         | 3                  |
| 3                      | Formal rules, policies and banking ethics                             | 3.83        | .736               | .77                 | high         | 6                  |
| 4                      | The ability to accomplish multiple and different business goals.      | 3.90        | .679               | .78                 | high         | 5                  |
| 5                      | Reducing exclusivity in decision-making.                              | 4.09        | .790               | .82                 | high         | 1                  |
| 6                      | Diversify skills and specialization with each job                     | 4.08        | .781               | .82                 | high         | 2                  |
| <b>General Average</b> |   | <b>3.96</b> | <b>0.739</b>       | <b>0.79</b>         | <b>high</b>  |                    |

Source: Spss V.25 output

**.3Description and Diagnosis of After Service Brilliance and Innovation:** This paragraph is concerned with showing the descriptive characteristics of the brilliance of service and innovation dimension, which constitutes one of the dimensions of the variable (organizational brilliance), which is expressed through six basic paragraphs (questions). She was concerned about the content of the question, as it had a very high response level and a relative importance of (89%).

As for the lowest arithmetic mean, it went to the second paragraph whose content was (development of banking service through financial return in banking outlets), as it was (3.95), and it is a median with a high level of response, and its standard deviation reached (0.736).

The dimension (Brilliance of Service and Innovation) was generally with an arithmetic mean of (4.16), while its standard deviation was (0.740).

**Arithmetic means, standard deviations, level of response, and ordinal importance of service brilliance and innovation dimension (n = 124)**

|                        | Phrase   | SMA         | standard deviation | Relative importance | answer level | ordinal importance |
|------------------------|--|-------------|--------------------|---------------------|--------------|--------------------|
|                        | <b>Our bank management encourages</b>  |             |                    |                     |              |                    |
| 1                      | Facing the sudden event and adjusting actions within objective work contexts       | 4.08        | .802               | .82                 | high         | 4                  |
| 2                      | Developing the banking service through the financial return in the banking outlets | 3.95        | .736               | .79                 | high         | 6                  |
| 3                      | Develop the self-efficacy of employees.  | 4.18        | .679               | .84                 | high         | 3                  |
| 4                      | Attracting experienced and talented employees in the field of banking innovations  | 4.04        | .824               | .81                 | high         | 5                  |
| 5                      | Adapting to the ever-changing business needs.                                      | 4.44        | .701               | .89                 | very high    | 1                  |
| 6                      | Creativity and innovation at work  | 4.29        | .698               | .86                 | very high    | 2                  |
| <b>General Average</b> |  | <b>4.16</b> | <b>0.740</b>       | <b>0.83</b>         | <b>high</b>  |                    |

Source: Spss V.25 output

#### .4Description and diagnosis after brilliance of knowledge:

This paragraph is concerned with showing the descriptive characteristics of the brilliance of knowledge dimension, which constitutes one of the dimensions of the variable (brand ownership rights), which is expressed through six basic paragraphs (questions), as it is clear from table (7) that the paragraph with the highest arithmetic mean was the second paragraph whose content is (observing what is happening in the external environment). The question had a high level of response and a relative importance of (83%).

As for the lowest arithmetic mean, it went to the fifth paragraph whose content was (employing knowledge and investing it in a better and correct manner), as it was (3.92), which is a median with a high level of response, and its standard deviation reached (.734).

environment in which it works and suggests ways that can contribute to enhancing its performance .Schedule (8)



**Arithmetic means, standard deviations, response level, and ordinal importance of the brilliance of the knowledge dimension (n = 124)**

|                        | Phrase   | SMA         | standard deviation | Relative importance | answer level | ordinal importance |
|------------------------|--|-------------|--------------------|---------------------|--------------|--------------------|
|                        | <b>Our bank management urges its employees to</b>  |             |                    |                     |              |                    |
| 1                      | Perseverance and striving to perform their work.   | 4.02        | .801               | .80                 | high         | 4                  |
| 2                      | Monitor what is going on in the external environment.  | 4.16        | .714               | .83                 | high         | 1                  |
| 3                      | Suggest new ways to achieve business goals.  | 4.03        | .764               | .81                 | high         | 3                  |
| 4                      | Continuing to improve the services provided to customers.  | 3.95        | .769               | .79                 | high         | 5                  |
| 5                      | Employing knowledge and investing it in a better and correct manner.   | 3.92        | .734               | .78                 | high         | 6                  |
| 6                      | Establishing partnership and cooperation relations in scientific fields for the purpose of exchanging knowledge. | 4.13        | .809               | .83                 | high         | 2                  |
| <b>General Average</b> |  | <b>4.03</b> | <b>0.765</b>       | <b>0.81</b>         | high         |                    |

Source: Spss V.25 output

**Third. Testing the first main correlation hypothesis:**

The content of the correlation hypothesis indicates (there is a direct correlation with significant significance between the strategic renewal and the organizational brilliance variable). It was shown through the table ( 8) the values of the correlation matrix between the independent variable and the dependent variable as well as the dimensions of the independent variable in the dependent variable. <0.01) as well as the indication through the two asterisks that are higher than the correlation value, which is related to the calculated t. of the current study Schedule .(9)

**Matrix of correlation coefficients between strategic renewal with its dimensions and organizational brilliance variable**

| Correlations                  |                     | Exploratory strategic renewal | Investment strategic renewal | Strategic renewal | organizational brilliance |
|-------------------------------|---------------------|-------------------------------|------------------------------|-------------------|---------------------------|
| Exploratory strategic renewal | Pearson Correlation | 1                             | .676**                       | .926**            | .671**                    |
|                               | Sig. (2-tailed)     |                               | .000                         | .000              | .000                      |
|                               | N                   | 124                           | 124                          | 124               | 124                       |
| Investment strategic renewal  | Pearson Correlation | .676**                        | 1                            | .904**            | .703**                    |
|                               | Sig. (2-tailed)     | .000                          |                              | .000              | .000                      |
|                               | N                   | 124                           | 124                          | 124               | 124                       |
| Strategic renewal             | Pearson Correlation | .926**                        | .904**                       | 1                 | .749**                    |
|                               | Sig. (2-tailed)     | .000                          | .000                         |                   | .000                      |
|                               | N                   | 124                           | 124                          | 124               | 124                       |
| organizational brilliance     | Pearson Correlation | .671**                        | .703**                       | .749**            | 1                         |
|                               | Sig. (2-tailed)     | .000                          | .000                         | .000              |                           |
|                               | N                   | 124                           | 124                          | 124               | 124                       |

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

Source: Spss V.25 output

**.1Testing the first sub-hypothesis:**

The content of the correlation hypothesis indicates (there is a direct correlation with significant significance between the exploratory strategic renewal dimension and the organizational brilliance variable). It was shown through the table (9 ) the values of the correlation matrix between the independent dimension and the dependent variable. It was shown that a high level of correlation was achieved between the exploratory strategic renewal dimension and the organizational brilliance variable, as it becomes clear that there is a strong correlation level as the value of the correlation reached (.671\*\*). .01) In addition to the indication through the two

**.1Testing the Second Sub-Hypothesis:**

The content of the correlation hypothesis refers to (there is a direct correlation with significant significance between the dimension of investment strategic renewal and the variable of organizational brilliance). 1) In addition to the indication through the two asterisks that are higher than the correlation value, which is related to the calculated t. The statistical program compares the calculated t-value with its tabular value. When the t-value is higher than the tabular t-value, it means that the level of confidence in the value was (0.99), meaning that it was accepted with significant limits (0.01). Whenever this is related to the emergence of the organizational brilliance variable within the borders of

private banks in the Middle Euphrates region, the sample of the current study. The result above is that the hypothesis is not accepted in the application environment

**secondly. The second main hypothesis:**

The content of the hypothesis refers to (there is a direct effect relationship with significant significance between the variable of strategic renewal and the variable of organizational brilliance), that is, determining the extent to which strategic renewal is used to bring about changes in the variable of organizational brilliance.

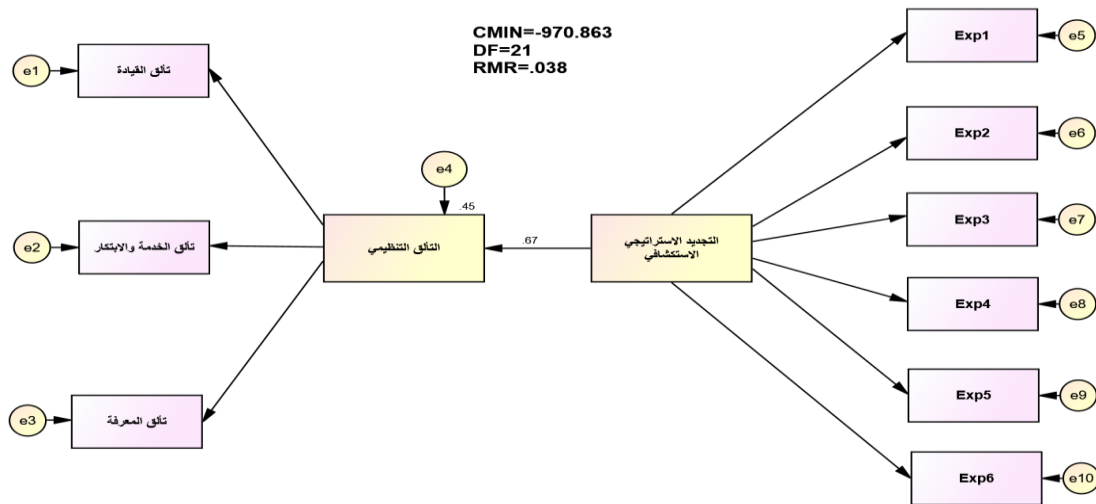
It is evident through the structural model ( 10) of testing the impact of the independent variable strategic renewal in the dependent variable organizational brilliance that there is a significant level of influence that is characterized by statistical significance and that the criteria for matching the model were within the statistical acceptance area as it was achieved (RMR = 0.017), which is less than its acceptable range of (0.08).

Effect model estimates between the strategic renewal variable and the organizational brilliance variable

| variable and dimensions           | track | variants                  | Standard Beta values | Non-normative Beta values | measurement error | critical ratio | Moral |
|-----------------------------------|-------|---------------------------|----------------------|---------------------------|-------------------|----------------|-------|
| organizational brilliance         | <---  | Strategic renewal         | .749                 | .666                      | .053              | 12.541         | ***   |
| Exploratory strategic renewal     | <---  | Strategic renewal         | .926                 | 1.074                     | .039              | 27.219         | ***   |
| Investment strategic renewal      | <---  | Strategic renewal         | .904                 | .926                      | .039              | 23.446         | ***   |
| Knowledge brilliance              | <---  | organizational brilliance | .839                 | .968                      | .057              | 17.114         | ***   |
| Driving brilliance                | <---  | organizational brilliance | .893                 | 1.012                     | .046              | 22.066         | ***   |
| Service brilliance and innovation | <---  | organizational brilliance | .897                 | 1.020                     | .045              | 22.480         | ***   |

**Source: Prepared by the researcher based on the outputs of the Amos program. V.23**

With regard to the explanatory ability ( $R^2$ ) of the independent variable in the dependent variable, the structural model shows that the exploratory strategic renewal dimension is able to explain (0.45) of the changes that occur in the dependent variable organizational brilliance, that is, the occurrence of changes in the organizational brilliance variable contributes to it after the exploratory strategic renewal by (45%). Scouting and organizational brilliance within the application environment with a strong level of influence and a positive direction.



The content of the hypothesis refers to (there is a direct effect relationship with significant significance between the investment strategic renewal dimension and the organizational brilliance variable), that is, determining the extent to

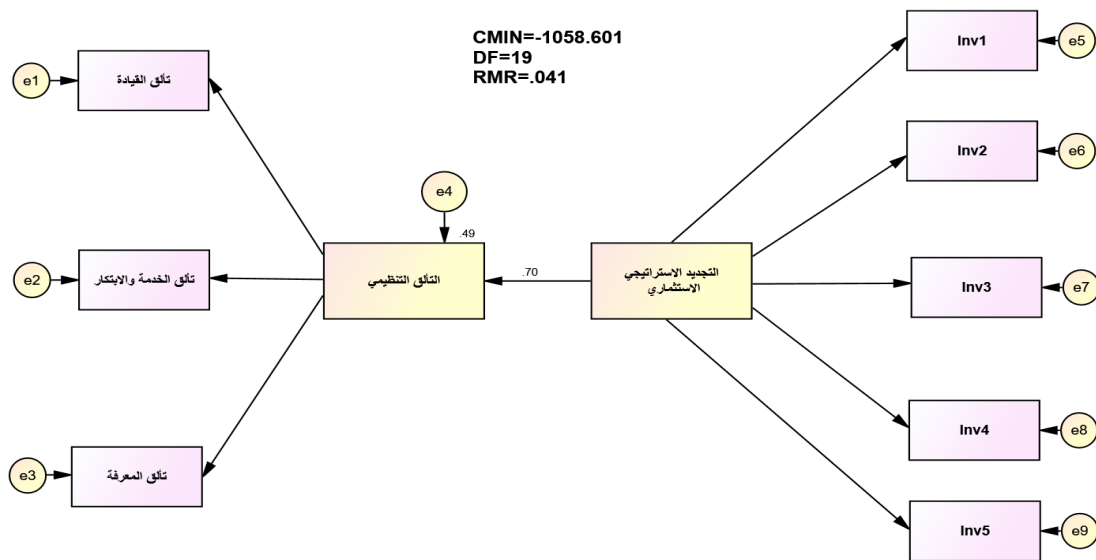


which the investment strategic renewal dimension is used to bring about changes in the organizational brilliance variable.

It is evident through the structural model ( 2) of testing the effect of the independent dimension of investment strategic renewal in the approved variable organizational brilliance that there is a significant level of influence that is characterized by statistical significance and that the criteria for matching the model were within the statistical acceptance area as it was achieved ( $RMR = 0.041$ ), which is less than its acceptable range of (0.08).

As for the ability to employ the independent dimension, it had an effect level of ( $B = 0.70$ ), which is a value of significant significance based on the value of Sig, which amounted to ( $P\text{-Value} = 0.01$ ), and the critical ratio for it amounted to (10.965), which is a statistically acceptable value because it is higher than the acceptable minimum, which amounts to (1.96). Regulatory within the scope of the place of application, and that this effect is a direct effect, that is, the positive increase in the independent variable will lead to a positive increase in the dependent variable

With regard to the explanatory ability ( $R^2$ ) of the independent variable in the dependent variable, the structural model shows that the investment strategic renewal dimension is able to explain (0.49) of the changes that occur in the dependent variable organizational brilliance.



**Table (11) Effect paths and parameters for the verification of significance of the second sub-hypothesis of mediation**

| variants                  | track | variants                     | Standard R.W. | Estimate | S.E. | C.R.  | P   |
|---------------------------|-------|------------------------------|---------------|----------|------|-------|-----|
| organizational brilliance | <---  | Investment strategic renewal | .619          | .534     | .061 | 8.737 | *** |
| organizational brilliance | <---  | Investment strategic renewal | .421          | .366     | .061 | 5.972 | *** |
| organizational brilliance | <---  | strategic renewal            | .455          | .459     | .071 | 6.455 | *** |

The source was prepared by the researcher based on the results of the Amos program

**Table (12): The values of the direct, and total effect of the second sub-hypothesis of mediation**

| Relation Between Variables                                      | Direct Effect | Indirect Effect | R <sup>2</sup> |
|---|---------------|-----------------|----------------|
| Organizational brilliance <--- investment strategic renewal     | 0.421         | -               | 0.62           |
| brilliance< strategic renewal <--- Investment strategic renewal | -             | 0.282           |                |

Source: Prepared by the researcher based on the outputs of the Amos program. V.23

The fourth topic

First: conclusions

1. The results of the study showed that the members of the study sample (bank managers) and employees have a good level of exploratory strategic renewal, and this indicates that there is a strong motivation and desire among bank management and employees towards searching and investing in new opportunities in local markets by continuously exploiting new information and monitoring ideas New developments related to the banking business, and high interest in interacting with all stakeholders in order to obtain information to maintain market share and attract new numbers of customers.

2. The results of the study concluded that the individuals in the study sample have a good level of investment strategic renewal, meaning that bank managers and employees have good capabilities in refining and developing current services, and this contributes to providing the best level of banking services and offering adequate offers to satisfy the needs and desires of customers. This can be justified in the fact that the bank managers and employees of the study sample possess sufficient experience, knowledge and capabilities that they acquired during the development of their career path

3. The results of the study revealed that there is a direct impact of strategic renewal on organizational brilliance, and this indicates that there is a strong vision and desire among bank managers and their employees towards searching for information Their eagerness to monitor new ideas and their good abilities in creating links between the fields of unrelated information, and their high ability to distinguish between profitable and unprofitable opportunities will enhance their ability to respond to service and innovate new and advanced methods in providing banking services.

## Second: Recommendations

1. The study sample banks pay great attention to the exploratory and exploitative strategic renewal of bank managers and to enhance their stock of knowledge by urging them to continuously follow up on commercial magazines and publications and to be keen to surf the Internet daily and continuously and to participate in conferences and seminars related to banking work to obtain new ideas that serve their work And involve them in training courses in this field inside and outside the country.

2. The need for the study sample banks to pay attention to studying the contents of strategic renewal and deepening it among their managers and employees, because of this contribution to strengthening the ability of the study sample banks to reach advanced levels in the way of exploring new opportunities and responding to changes that occur in the external environment.

3. The need for the study sample banks to adopt an effective method for strategic renewal, as this strategy works to exploit and invest the available opportunities and avoid potential threats by including the strategic renewal process within the strategic discussions and conversations

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