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Examining the Mediating Effect of Strategic Agility in the Relationship between Intellectual Capital and Organizational Excellence in Jordan Service Sector

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Abstract

This study aims to investigate the relationship between intellectual capitals, strategic agility, and organizational excellence in service sector of Jordan. Moreover, it examined the effect of strategic agility as a moderator of this relationship between intellectual capital and organizational excellence. A total of 550 questionnaires were collected from respondents who were chosen from a stratified random sampling. The findings indicate that intellectual capital and its dimensions, human capital, structural capital, and relational capital have a significant impact on strategic agility as well as organizational excellence. Moreover, the results indicate that strategic agility fully mediates the relationship between intellectual capital and organizational excellence. The findings of this study can have significant implications for the service sector of Jordan.

Keywords: agility, excellence, HRM, intellectual capital, performance, strategy

JEL: J24, L25, L84

Introduction

In the knowledge-based economy, business organizations have realized the importance of intangible assets, e.g. intellectual capital, which have been used effectively to accomplish organizational excellence by increasing its operations effectiveness as well as performance. On the other hand, achieving high levels of organizational excellence requires workers with high skills, knowledge, capabilities, competencies, and attitudes (Sharabati, Jawad, & Bontis, 2010). Therefore, organizations started implementing new approaches and techniques to better utilizing the physical and financial assets and knowledge assets and competencies of its human capital (Bontis, 1999). Many scholars and practitioners investigated the importance of intellectual capital as the source of value creation and competitive advantage. With the rapid information technology, velocity of environmental changes, and increasing globalization impacts, high necessity of controlling and nurturing businesses intellectual assets is mandatory. It is hypothesis that organizational capability to innovate is closely tied to its intellectual capitals and utilizing its knowledge resource (Bontis, 2011). Strategically, organizations must adequately evaluate its internal resources to identify its strengths while empowering its weaknesses to strive opportunities and absorbing threats. Accordingly, the more intellectual capital accumulated the more innovation initiatives will be produced (Wu, Lin, & Hsu, 2007; Ling, 2011). Generally speaking, information technology has been strongly affecting the overall businesses in terms of costs, time, productivity, and their performance. Internet is the vital source of enhancing and sharing knowledge and information. Furthermore, 21st century brings new challenges to organizations to visualize intellectual capital efficiency, as the source of competitive advantage, as well as manage creative and talent workers for organizational strategic decisions, performance, rapid growth, orientation and choices.

In today's ongoing changes, global, and hypercompetitive business environment, organizations operate under the factors of uncertainty, chaos, dynamics and hostility and are neither safe nor secure but they must be strategically equipped with acumen and agility instead of banking on traditional management techniques and methods in such unpredictable and irregular customers' demands and environmental changes in order to encounter any strategic surprises or challenges that might affect its operations and performance (Abu-Radi, 2013; Doz & Kosonen, 2010; Curado, Henriques, & Bontis, 2011; Kazmi & Naaranoja, 2015). Therefore, this study demonstrates that to better understand the effect of strategic agility as a core capability for organizations to take over the opportunities in the marketplace (service sector of Jordan) and get full insights into

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the dimensions of Strategic Agility (SA), Intellectual Capital (IC), and Organizational Excellence (OE) are significant to mandatory corporations. Moreover, this study focuses on examining the relationship between strategic agility, intellectual capital and organizational excellence. Then it investigates the effect of strategic agility as a mediator on both intellectual capital and organizational excellence in service sector of Jordan.

Research Model and Hypothesis

Following diagram (Figure 1) depicts the research conceptual model and it proposes relationship between variables. In the current study, researchers attempt to examine relationship between intellectual capital, organizational excellence, and agility. Finally, in achieving the final research model, a structural equation model is used to investigate the effect of strategic agility as a mediator in the relationship between intellectual capital and organizational excellence (Sekaran & Bougi, 2016).

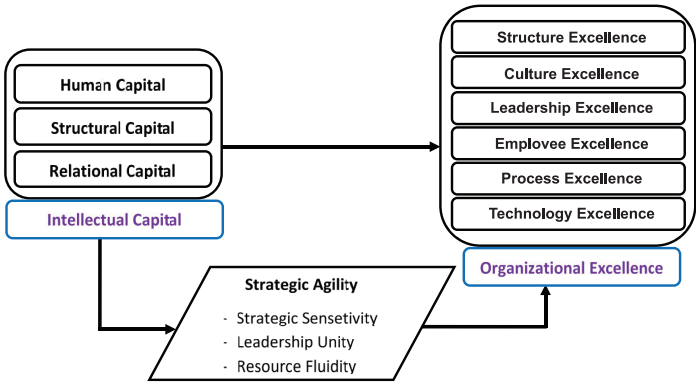

Figure 1. *Research Conceptual Model*

Based on the above model, researchers have developed the following hypothesis:

$H_0$1: There is a significant statistical effect of Intellectual Capital on Organizational Excellence at Jordan Service Sector.

$H_0$2: There is a significant statistical effect of Intellectual Capital on Strategic Agility at Jordan Service Sector.

$H_0$3: There is a significant statistical effect of Strategic Agility on Organizational Excellence at Jordan Service Sector.

$H_0$4: Strategic Agility is mediating the effect in the relationship between IC and OE at Jordan Service Sector.

Review of Literature

Intellectual Capital (IC)

There is a consensus between scholars and researchers that the 21st century will be the age of discontinuity which means that past experiences and traditional management solutions will not be suitable for current and future organizational issues in a severe chaotic world (Mohammad, Ansari, Ologbo, & Rezaei, 2013). Therefore, organizations, represented by its top management, should be alert, smart, and agile enough to address these environmental uncertainties, complexity, hypercompetitive markets, velocity of technological progress (Irtaimeh, Al-Azzam, & Al-Quraan, 2016). Consequently, to maintain its competitive ability, organizations must evaluate and reactivate its creative, innovative, and intellectual capitals. Those can easily generate internal knowledge and at the same time gain the external knowledge which, of course, will lead to enhance learning and innovation inside organizations (Hsu & Fang, 2009).

Several studies have been investigating Intellectual Capital and they yet concluded that IC is the sum of all types of knowledge organizations utilized for the competitive advantage and they offer new opportunities, higher performance, and can create value (Stewart, 1997; Youndt, Subramaniam, & Snell, 2004; Subramanian & Youndt, 2005). Thus, new challenges forced business organizations to give more attention to its strategic weapon by increasing their skills and abilities which is required nowadays. Moreover, too many previous studies have identified three aspects of IC (Youndt et al., 2004; Bhatti & Zaheer, 2014; Irtaimeh et al., 2016):

- Human Capital can be defined as the knowledge, skills, expertise, creative and innovative capabilities, competencies and abilities reside within individuals' minds (Tacit Knowledge).
- Structural Capital is the knowledge institutionalized and codified within an organization and utilized through databases, manuals, structures, culture, systems, processes, and its intellectual assets. It is considered the infrastructure for the human capital and can be visualized in term of learning and sharing knowledge at daily practices.
- Relational Capital refers to the knowledge embodied within and utilized by interactions between individuals within organization and with other stakeholders outside organization.

Strategic Agility (SA)

Despite placing more emphasis on organizations processes and operational excellence long time ago, most of those organizations have been confronted with high speed of changes and challenges in the marketplace (McCann, Selsky, & Lee, 2009; Dehaghi & Navabakhsh, 2014). Thus, one of the core sustained high performances (achieve overall organizational excellence) depends on the market focus by exploiting opportunities, distinctive capabilities by creating a differentiation, and outline competition by improving high performance. Indeed, of course, to survive and thrive in dynamic environment agility is required (Ismail, Poolton, & Sharifi, 2011; Irtaimeh, 2017). Therefore, strategic agility involves tactfully sightseeing and acting responsively with ease, high speed, and dexterity to environmental changes and challenges. In other words, organizational agility means

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the ability to cope with undesirable challenges to overcome new and unexpected strategic surprises of the business environment, taking over opportunities, creating values, and satisfying a highly demanding customers (Tallon & Pinsonneault, 2011; Qin & Nembhard, 2010; Ghafuri, Farhadi, & Mansouri, 2014; Arbussa, Bikfalvi, & Marquès, 2017).

Generally, strategic agility is the most powerful technique for strategic orientation and driving the most suitable strategic alternatives. The ability to be agile is directly related to human performance and the processes and technologies of the organization. Based on the dynamism of competitive environment, Doz and Kosonen (2008, 2010, & 2014) proposed that strategic agility is mostly required when the market and organizations growth are identical over time. Moreover, they have identified three types of strategic agility dimensions. Namely, strategic sensitivity which means being open to as much information, intelligence and innovations as possible by creating and maintaining relationships with a variety of different people and organizations, leadership unity or collective commitment refers to all teams feeling committed and obliged and responsible for the decision taken, and resource fluidity is the ability to easily move resources from a place to another when needed, while Mavengere (2014) restructured these dimension to include strategic sensitivity which means the ability to discover, create, analyze, and disseminate knowledge to seizing the environmental opportunities and threats. Strategic response is the ability of organization to configure or reconfigure its resources to quickly react or proact to demands and collective capabilities which refers to the ability to take the advantage of the synthesis of organizations resources.

Organizational Excellence (OE)

As one of the modern management concepts that is widely used nowadays in concurrence, with the need of organizations to use different techniques to strive their strategic goals and building the sustainable competitive advantage, organizational excellence is becoming a strategic aim and getting high attention. To do so, organizations excellence is implemented to gain the highest return on investments and value creation. Organizational excellence is clearly defined as the state of superiority in every organization aspect in everyday activity to exceed customers' expectations (Qawasme, Darqal, & Qawasmeh, 2013; Al-Qeed, Al-Raggad, Al-Shura, AlQaisieh, & Al-Azzam, 2016). Moreover, OE can be achieved through 4P's, namely, excellent people, excellent partnerships, excellent processes, excellent technologies, and excellent products (Dahlgaard & Dahlgard, 1999).

Yet, a strong vision and mission, policies and strategies, values and ethics, workers development, empowerment and innovation, new suitable technologies, customers relationships, relations with all stakeholders, creative well-being of workers, fully responsible to publics and commitment to excellence philosophy are the main critical success factors of OE (Hui & Chuan, 2002; Sasmita & Nayantara, 2003), while another scholars have stated that being aware of the market situation, market share, customers' preferences, reputation, new technologies in the market used, profitability, volume of sales, financial capital, culture, and core competencies needed and used would enhance to achieve OE (McNamara, 1997; Foster, 2002; Al-Saudi, 2008).

Research Methodology

The current study adopts the demonstrative analytical approach, aiming to examine the mediating effect of Strategic Agility in the relationship between Intellectual Capital and Organizational Excellence in Jordanian Service Sector. As Jordan economy is dominated by services, it contributed to the Jordan's GDP by 67% over other sectors which counted 33%. Therefore, the target population of this study was managers who work at different service sectors in Jordan which include medical services, higher education, tourism, transport, banking, insurance, computer programming, etc., all of which are distinguished activities able to compete in the world market. Moreover, the measurement of constructs in the study implemented use a five-point Likert scales ranging from "1 strongly disagree" to "5 strongly agree". Because the online survey is achieving faster results and proving to be effective in running time, 600 questionnaires were successfully distributed and collected online on a random stratified sample of managers for data analysis. Table 1 shows demographic variables.

No.	Variables	Categories F	requency	Percent
1	Gender	Male	370	67.3
		Female	180	32.7
2	Age	30 years or less	131	23.8
		30 – less than 39 year	177	32.2
		40 – less than 45 year	156	28.4
		45 year and above	86	15.6
3	Work Experience	Less than 5 years	47	8.6
		5 – less than 10 years	234	42.6
		10 – less than 15 year	191	34.7
		15 year and above	78	14.2
4	Education Level	Bachelor and below	397	72.2
		Graduate	153	27.8

Table 1. *Demographic Variables*

Data Analysis and Results

A Statistical Package for Social Sciences (SPSS version 20) was used to test the study hypothesis through using multiple regression analysis to examine the impact of Intellectual Capital on Organizational Excellence, Intellectual Capital on Strategic Agility, and Strategic Agility on Organizational Excellence. To examine the mediating effect of Strategic Agility in the Relationship between Intellectual Capital and Organizational Excellence a hierarchal regression analysis was also used.

Factor Analysis and Reliability Coefficients

In analyzing the data, an exploratory factor analysis was used. Summary of the construct of factor analysis is shown in Table 2. In the reliability scale, Cronbach's Alpha was used to examine the consistency of the measurement variables (Sekaran & Bougie, 2013). According to Hsu, Liu, and Lee (2010) who suggest that for items to achieve internal consistency, it should have a value of more than 0.70 with 0.5 being the least acceptable value while Hair, Balck, Babin, Anderson, and Tatham (2006) suggested that the coefficient should be at the minimum acceptable level 0.74. Controversially, Sekaran and Bougie (2016) indicated that the closer the Cronbach's alpha to the value of 1, the higher the internal consistency reliability. Table 1 shows all the Cronbach's alpha values of the studied variables to be more than 0.70.

As shown, intellectual capital (IC) dimensions have scored Cronbach's Alpha value of 0.848 (Human Capital), 0.917 (Structural Capital) and 0.857 (Relational Capital), respectively. Organizational Excellence dimensions have a Cronbach's alpha value of 0.762 (Structure Excellence), 0.873 (CulturalExcellence), 0.827 (Leadership Excellence), 0.778 (Employee Excellence), 0.834 (Processes Excellence), and 0.892 (Technology Excellence), while the Strategic Agility dimensions score Cronbach's Alpha value of 0.834 (Strategic Sensitivity), 0.907 (Leadership Unity), and 0.902 (Resource Fluidity).

Table 2. *Factor Analysis and Reliability Results for Study Variables*

Variables	Categories	No. of Items	Factor Loading	Cronbach's Alpha
Intellectual Capital (IC)	Human Capital (HC)	4	0.947	0.848
	Structural Capital (SC)	4	0.892	0.917
	Relational Capital (RC)	4	0.889	0.857
Organizational Excellence (OE)	Structure Excellence (SE)	3	0.950	0.762
	Culture Excellence (CE)	3	0.941	0.873
	Leadership Excellence (LE)	3	0.924	0.827
	Employee Excellence (EE)	3	0.891	0.778
	Processes Excellence (PE)	3	0.872	0.834
	Technology Excellence (TE)	3	0.899	0.892
Strategic Agility	Strategic Selectivity (SS)	3	0.901	0.834
	Leadership Unity (LU)	3	0.912	0.907
	Resource Fluidity (RF)	3	0.876	0.902

Descriptive and Correlation Analysis

Table 3 shows that intellectual capital (IC) variable has mean scores over than 3.00. Specifically, the three dimensions of IC have a mean value of 3.67 (Human Capital), 3.74 (Structural Capital), and 3.55 (Relational Capital). Respondents' attitudes toward applicability of IC in Jordan service sector

Table 3: *Means, Standard Deviations (SD) of the Variables and Correlation Matrix of the Variables*

No.	Variables	Mean	SD	HC	SC	RC	SE	CE	LE	EE	PE	TE	SS	LU	RF
1	Human Capital (HC)	3.67	0.68	1											
2	Structural Capital (SC)	3.74	0.74	0.594**	1										
3	Relational Capital (RC)	3.55	0.66	0.671**	0.737**	1									
4	Structure Excellence (SE)	3.92	0.67	0.827**	0.911**	0.848**	1								
5	Culture Excellence (CE)	3.75	0.63	0.942**	0.745**	0.744**	0.671**	1							
6	Leadership Excellence (LE)	3.64	0.55	0.770**	0.615**	0.864**	0.821**	0.756**	1						
7	Employee Excellence (EE)	3.57	0.87	0.901**	0.839**	0.537**	0.769**	0.778**	0.787**	1					
8	Processes Excellence (PE)	3.63	0.66	0.753**	0.755**	0.643**	0.834**	0.893**	0.629**	0.917**	1				
9	Technology Excellence (TE)	3.59	0.71	0.876**	0.558**	0.784**	0.627**	0.927**	0.736**	0.891**	0.734**	1			
10	Strategic Selectivity (SS)	3.86	0.59	0.711**	0.914**	0.918**	0.792**	0.787**	0.842**	0.874**	0.670**	0.733**	1		
11	Leadership Unity (LU)	3.81	0.64	0.697**	0.888**	0.758**	0.684**	0.689**	0.622**	0.919**	0.734**	0.782**	0.819**	1	
12	Resource Fluidity (RF)	3.85	0.72	0.831**	0.758**	0.821**	0.681**	0.974**	0.597**	0.785**	0.551**	0.867**	0.883**	0.678**	1

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

was obviously identified. However, the respondents tend to be more familiar with organizational excellence atmosphere, in term of its dimensions, the mean value of 3.92 (Structural Excellence), 3.75 (Cultural Excellence), 3.64 (Leadership Excellence), 3.57 (Employee Excellence), 3.63 (Processes Excellence), and 3.59 (Technology Excellence). Moreover, attitudes toward Strategic Agility dimensions have a mean value of 3.86 (Strategic Sensitivity), 3.81 (Leadership Unity), and 3.85 (Resource Fluidity). Pearson correlation coefficients computed for the relationships among study variables were found positive and significant. All the dimensions of Intellectual Capital were found to be strongly and positively correlated with Organizational Excellence and Strategic Agility. Therefore, the Pearson correlation matrix indicates that all variables are significant and positively correlated. The correlation coefficient values were in the range of 0.537 ($p < 0.01$) to 0.974 ($p < 0.01$).

Hypotheses Analysis

Table 4, 5, and 6 show the results of the regression analysis of the study hypothesis 1, 2, and 3. Table 4 demonstrates that Intellectual Capital (IC) explains 71.6% variances in Organization Excellence (OE) (R^2= 0.716, $p < 0.01$). Additionally, all three dimensions of IC have a positive relationship with OE. Human Capital (HC) has a standard coefficient beta (β) value of 0.873 while Structural Capital (SC) has a standard coefficient beta (β) value of 0.791. Relational Capital (RC) has a standard coefficient beta (β) value of 0.839. All these dimensions had a significant p-value which was less than 0.01. Human Capital (HC) dimension has the strongest effect on Organizational Excellence (OE) as compared to other IC dimensions. Because all three dimensions of IC were found to have a direct and positive effect on OE at a significant level, H1a, H1b, and H1c are corroborated strongly and, hence, the first hypothesis (H1) stands confirmed.

Table 5 shows the regression analysis of the second hypothesis. The results depict that Intellectual Capital (IC) explains 83.4% variances in Strategic Agility (SA) (R^2 = 0.834, $p <0.01$). All IC dimensions are significantly and positively correlated with the SA: HC (β= 0.739, $p < 0.01$), SC (β= 0.661, $p < 0.01$), and RC (β= 0.643, $p < 0.01$). Human Capital (HC) has the strongest effect on OE. The overall results lend strong support to H2a, H2b and H2c and hence the second hypothesis (H2) stands verified.

Finally, Table 6 demonstrates that 89.7% variances in Organizational Excellence (OE) explained by the Strategic Agility (SA) (R^2= 0.897, $p < 0.01$). As shown in the table, results indicate that Strategic Sensitivity (SS) (β= 0.659, $p < 0.01$) has a significant influence on OE. Consequently, the third hypothesis (H3) stands validated.

Table 7 presents the results of testing the mediating effect of Strategic Agility on the relationship between IC and OE. Baron and Kenny (1986) said that a three series interconnected conditions must be fulfilled: (1) the independent variable (Intellectual Capital IC) must have a significant effect on the mediator (Strategic Agility SA), (2) independent variable (Intellectual capital IC) must have a significant effect on the dependent variable (Organizational Excellence OE), and (3) the mediator (Strategic Agility SA) must have a significant effect on the dependent variable (Organizational Excellence OE).

Table 4. *Regression Analysis of Intellectual Capital on Organizational Excellence*

Variable	Standard Coefficient Beta (β)
Intellectual Capital Dimensions	
Human Capital (HC)	0.873**
Structural Capital (SC)	0.791**
Relational Capital (RC)	0.839**
R^2	0.716
Adjusted R^2	0.684
Sig. F	410.52**

** Regression is significant at the 0.01 level ($p < 0.01$).

Table 5. *Regression Analysis of Intellectual Capital on Strategic Agility*

Variable	Standard Coefficient Beta (β)
Intellectual Capital Dimensions	
Human Capital (HC)	0.739**
Structural Capital (SC)	0.661**
Relational Capital (RC)	0.643**
R^2	0.834
Adjusted R^2	0.796
Sig. F	278.11**

** Regression is significant at the 0.01 level ($p < 0.01$).

Table 6. *Regression Analysis of Strategic Agility on Organizational Excellence*

Variable	Standard Coefficient Beta (β)
Strategic Agility Dimensions	
Strategic Sensitivity (SS)	0.659**
Leadership Unity (LU)	0.637**
Resource Fluidity (RF)	0.702**
R^2	0.897
Adjusted R^2	0.832
Sig. F	199.48**

** Regression is significant at the 0.01 level ($p < 0.01$).

Tests for mediation were conducted. If there are significant relationships from (1) through (3), a hierarchical regression analysis is performed on all IC dimensions (independent variable) with SA (mediator) and OE (dependent variable) to investigate the type of the mediation whether is full or partial mediation (Yasin, Ramayah, Mohamad, & Wah, 2009). Moreover, the two cases, where to determine if the mediation is full or partial, are when the effect of the mediator added to the relationship but the independent variable has no longer significant, then the finding supports full mediation. However, when the independent variable is still significant, but the beta coefficient is decreased, the

finding supports partial mediation. Therefore, Table 7 presents the results of the hierarchical regression in testing the mediating effect of Strategic Agility on the relationship between Intellectual Capital and Organizational Excellence. Based on results in Table 7, two models of regression were employed; the first model was without a mediator and the second model was with a mediator. There is strong proof that Intellectual capital dimensions have a positive influence on Organizational Excellence in model 1, while in model 2, there is no such positive relationship between Intellectual Capital dimensions and Organizational Excellence remains. As for the mediator (Strategic Agility), it does not influence Organizational Excellenceas well (β= 0.472) which is not significant at $p < 0.01$. Comparing the results between model 1 and model 2, the findings reveal that the standard beta coefficient of Intellectual Capital dimensions decreased from 0.459 to 0.422 in case of Human Capital, from 0.581 to 0.475 in the case of Structural Capital, and from 0.438 to 0.349 in the case of Relational Capital. All IC dimensions had no significant value at $p < 0.01$ level. Thus, this shows that the mediator (Strategic Agility) fully mediates the relationship between Intellectual Capital and Organizational Excellence.

Table 7. *Regression Analysis Results for the Mediation of Strategic Agility*

Variable	Std. Beta Without Mediator (Model 1)	Std. Beta With Mediator (model 2)	Results
Independent Variables: Intellectual Capital			
Human Capital (HC)	0.459**	0.422	Full mediation
Structural Capital(SC)	0.581**	0.475	Full mediation
Relational Capital (RC)	0.438**	0.349	Full mediation
Mediator: Strategic Agility		0.472	
R^2	0.427	0.566	
Adjusted R^2	0.421	0.559	
R^2 Change	0.427	0.139	
F-Change	99.57	112.51	

**Regression is significant at the 0.01 level ($p < 0.01$).

Discussion

Relationship between Intellectual Capital and Organizational Excellence

In service sector of Jordan, Intellectual Capital has a significantly positive relationship with the Organizational Excellence. Among the three dimensions of IC, Human Capital (HC) has the strongest effect on OE. In other words, managers in Jordanian service sector consider Human Capital the generator of the companies in this sector and as a source of the prerequisites for them to follow the suggestions posted therein. Followed by Relational Capital as the second strongest effect on OE, customer's consider the core service sector to be served by companies who in turn gave them the competitiveness over other rivals in the same industry. Moreover, a good and strong relationship between organization and its stakeholders will eventually make it easy to achieve its success as well as this makes it clear that the three IC beliefs are crucial for Organizational Excellence success.

Relationship between Intellectual Capital and Strategic Agility

As a validation of the second hypothesis propounded by the current study, the results showed that all three dimensions of Intellectual Capital variable, especially, Human Capital, are significantly and positively correlated with the Strategic Agility. This implies that the managers in Jordan service sector rely on and invest in Human Capital as strong determinant of their attitudes.The human body is considered the cornerstone of anticipating changes in the environment which affects strategic plans and goals of organizations. In today's continually evolving global business environment, high-performing human capitals have the ability to bring in a sustainable competitive advantage and can quickly seize opportunities through maximizing organizations resources. Although many organizations have focused on improving its human capital, but its HR departments still have lack of agility to support organizations directions through managing human capitals. However, organizations should integrate its HR strategy (Strategic HR) with organizational strategy. The more human capital is considered as a strategic asset, the more human capital is committed and loyal to business strategy overall. Masnabadi, Chitgar, & Azizi (2015) have concluded that human capital has a positive and significant relationship with strategic agility. Human capital dimensions predict strategic agility as well.

Relationship between Strategic Agility and Organizational Excellence

The present study found a positive association of Strategic Agility with Organization Excellence of Jordan service sector which has been confirmed by earlier studies (Nafei, 2016; Alshalabe, Aladwan, Abu Orabi, & Alwekhyan, 2017; Kuleelung & Ussahawanitchakit, 2015). As far as the effects of strategic agility on other organizational excellence are concerned, the present findings support the relationship between strategic agility and organizational excellence dimensions namely, structural, cultural, leadership, employee, processes and technology excellence in the context of service sector mobility. Therefore, previous studies concluded that responsiveness, competency, flexibility and speed disclose a positive effect on consequences significantly. In addition, marketing effectiveness, organizational productivity, business excellence, competitive advantage increases demonstrate a positive association significantly with the firm performance. Long-term vision, market culture, and resource richness are the antecedents of organizational agility scheme.

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Strategic Agility as a Mediator

The results showed that all three intellectual capital dimensions are significant in model 1 where they are not impoirtant in model 2 and that strategic agility doesn't positively influences the organization's excellence in the service sector of Jordan. This, in turn, suggests that strategic agility fully mediates the relationship between intellectual capital and organization excellence. This means that intellectual capital should possess strategic thinking capabilities and behave strategically which, in turn, leads to increase individual agility. The collective individuals' agility consorted with organizations agility would enhance organizational excellence. The more organizations develop and retain their intellectual capital, the more organization will be agile and generate the highest success in the turbulent environment.

Conclusion

In this study, we examined the effect of intellectual capital on organizational excellence in Jordanian service sector while considering strategic agility as a mediator. Overall findings proved that strategic agility fully mediates the relationship between intellectual capital and organizational excellence in Jordanian service sector thus proving that the significant implications for service sector decision makers and companies are important. It provides empirical findings that could help managers to gain insights into organizational excellence, particularly, in the context of Jordan. Service companies should understand the importance of intellectual capital as a strategic player in enhancing organizational excellence. Therefore, decisions makers of service sector should ensure continuously and consistently services that not only satisfy their customers but also either meet or exceed their customers' expectations. Furthermore, this implication applies to companies worldwide as well. Moreover, business organizations, especially, service companies, need to create synergies between their intellectual capital that are strategically equipped with agility and local needs (customers' needs) as well as dynamic organizational visions toward achieving excellence at all levels. Although agile organizations are fenced with intellectuals and talent workers, still to achieve excellence performance as well as organizational excellence needs steps beyond not only following strategic formulation and execution but ensuring sustainability based on continuity, flexibility, and comprehensiveness of resources which are becoming a master key of excellence.

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