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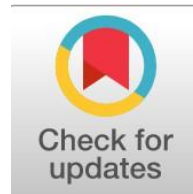
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## Digital Agility as a Strategic Force to Enhance Organizational Positioning

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### Abstract

**General Background:** Rapid advances in information technology and digital transformation have reshaped how organizations operate and compete, particularly with the expansion of big data and cloud computing. **Specific Background:** Organizations are increasingly required to adopt digital approaches that differ from traditional methods to maintain and strengthen their market standing and operational processes. **Knowledge Gap:** Despite growing interest in digital transformation, limited clarity remains regarding how digital agility contributes to organizational positioning across institutional contexts. **Aims:** This study aims to examine the role of digital agility in strengthening organizational positioning and to assess the feasibility of adopting digital transformation for organizational performance. **Results:** Findings indicate that digital agility enables faster task completion, improves organizational efficiency, and facilitates rapid problem identification, thereby supporting stronger institutional positioning. **Novelty:** This study highlights digital agility as a strategic force linking operational responsiveness with institutional positioning within both corporate and academic environments. **Implications:** The findings suggest that organizations adopting digital agility and transformation approaches can better navigate technological change while maintaining competitive positioning and operational coherence.

#### Highlights:

- Demonstrates accelerated task processes and operational responsiveness through digital practices
- Identifies organizational efficiency and rapid issue detection as key outcomes
- Shows alignment between digital transformation adoption and institutional positioning

**Keywords:** Digital Agility, Digital Transformation, Organizational Positioning, Digital Innovation, Strategic Management

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## Introduction:

The rapid global advancements in information technology and digital transformation have opened new horizons for organizations to adopt approaches that differ from traditional methods, which are no longer effective given the rise of big data and cloud computing. It has become imperative for companies to utilize intelligence and these tools to enhance their competitive position and improve their data content in terms of how they interact with customers and strengthen their market position. This development has required companies to adopt a proactive approach to maintain their market share and to leverage these tools to serve their customers at the lowest cost and with the highest quality service, thereby improving their overall position. [1,2]

This necessitates that these organizations learn how to manage these digital changes and how to utilize them in developing their current and plans and maintaining their competitive edge.[3,4]

Current developments and intense competition for companies and institutions in general present them with a significant challenge and pressure to find ways to enhance their operations and maintain their market share.

Digital transformation requires companies to provide an environment and infrastructure capable of responding quickly to customer demands.[5,6]

## 1. Research Methodology

### 1.1 Research Problem:

Despite the advancements and innovations in digital technology, researchers have faced the challenge of limited research in this area. While digital agility can enhance an organization's standing, this is currently linked to infrastructure, system, and regulatory challenges. Moreover, there is still more to learn about how digital innovation mediates this relationship. Therefore, this study aims to fill this gap by analyzing the impact of digital agility and digital innovation on enhancing organizational positioning.

### 1.2 Significance of the Study

**Theoretical Significance:** By offering a conceptual model to investigate the connections between these factors, this study adds to the body of knowledge on digital agility and organizational positioning.

**Practical Significance:** The study offers practical tools and recommendations for organizations on how to leverage their digital capabilities to enhance competitive positioning and develop effective digital innovations.

**Future Significance:** The study enables researchers to explore the role of control and moderating variables in the relationship between digital agility and organizational positioning across different sectors.

### 1.3 Research Hypotheses

**H1:** Organizational standing is positively impacted by digital agility.

**H2:** Digital agility positively affects digital innovation.

**H3:** Organizational standing is positively impacted by digital innovation.

**H4:** Digital evolution significantly impacts organizational development.

**H5:** here is a correlation between digital transformation and the nature of the organization.

**H6:** Digital dynamism can influence the way an organization operates.

#### 1. Research Objectives

1. This research aims to clarify several points
2. The impact of digital transformation on an organization's standing and nature of work
3. Understanding the concept of digital agility and how to adopt it
3. Identifying flexible digital approaches that can enhance an organization's standing
4. Utilizing digital approaches and demonstrating their applicability in Iraqi organizations.

### 1.5 Research Population

The research sample includes employees from three selected entities:

**Ministry of Higher Education and Scientific Research**

**Iraq Technology Company**

**Digital Transformation Center Iraq**

**Target audience: Senior management: Middle managers: Operations staff.**

## 1.6 Research Sample and Size

To obtain the research results and ensure their speed, the data collection method was followed through the distribution of questionnaires, where 164 questionnaires were randomly distributed to the research sample employees with their various job titles. Distributed as follows:

**Table 1:** Research Sample Distribution by Entity and Target Group

Entity	Group	Number of Questionnaires
Ministry of Higher Education	Top Management	21
Ministry of Higher Education	Middle Managers	35
Ministry of Higher Education	Operational Employees	14
Iraq Technology Company	Top Management	15
Iraq Technology Company	Middle Managers	25
Iraq Technology Company	Operational Employees	10
Digital Transformation Center Iraq	Top Management	13
Digital Transformation Center Iraq	Middle Managers	17
Digital Transformation Center Iraq	Operational Employees	4

## 1.7 Research Instruments

The including:

1. Digital Agility: 5 items
2. Digital Innovation: 5 items
3. Organizational Positioning: 5 items
4. Control Variables: Org size and ind dynam (4 items)

Response Scale: 5-point (Ls) (1 = St Agree, 5 = St Disagree) [7].

## 1.8 Type of Research

The descriptive approach was adopted in collecting data to demonstrate the relationship between flexibility and innovation.

## 2. Theoretical Framework

### 2.1 Digital Agility

The concept of resilience refers to the ability of an economic unit to respond to sudden changes in its rapidly changing environment and to address those problems in its surroundings.[8]. as well as to respond to and adapt to market demands.

### 2.2 Dimensions of Digital Agility

Recent studies identify four key dimensions of digital agility:

**Technical Readiness:** Refers to the digital infrastructure, systems, and modern platforms of the organization, as well as its ability to continuously update and develop them [9].

**Digital Sensing:** The capability to monitor and analyze digital market signals, detect changes, and identify new opportunities [10].

**Digital Responsiveness:** The speed at which an organization can adjust its processes, services, and products in response to digital changes [11].

**Digital Learning & Innovation:** The ability to learn from digital experiences and generate innovative solutions [12].

## Digital Innovation

Digital innovation refers to the application of new digital solutions (products, services, or processes) to enhance performance and achieve a competitive advantage [13]. Digital innovation acts as a mediating variable between digital agility and organizational positioning, converting a company's digital flexibility into cutting-edge goods and services that improve its position in the market.

### 2.3 Organizational Positioning

Customers' and rivals' perceptions of a firm are reflected in its positioning, reflecting its competitive reputation and its ability to maintain a sustainable strategic advantage [14]. It relies on reputation, value differentiation, perceived market share, and competitive sustainability.

### 2.4 Control Variables

#### Organization Size

Refers to the resources, number of employees, and revenue that an organization possesses, and it affects the speed and effectiveness of digital agility implementation. Large organizations may face challenges in adaptation due to bureaucracy, whereas small organizations are more flexible but have limited resources [15].

#### Industry Dynamism

Reflects the rate of change within the industry environment, including technology, competition, and customer preferences. In dynamic industries, Digital agility often has a greater effect on an organization's standing, while in stable industries, the effect is relatively weaker [16].

## 3. Practical framework

### 3.1 Conceptual Model

Dig Agility → Dig Innov (m variable) → Org Status

Org Size and Industry Dy con variables.

### 3.2 Statistical Analysis Methods

• The SPSS program, which included:

#### 1. Descriptive Statistics

#### 2. Reliability and Validity Tests:

o The survey's reliability was assessed using Cronbach's Alpha ( $\geq 0.70$ ).

o To confirm the concept validity, factor analysis was performed.

#### 3. Inferential Analysis:

o Correlation Analysis

o Multiple Regression Analysis:

### 3.3 Research Procures

. Questionnaire Distribution: Administered both electronically and in paper form, depending on the nature of each entity.

. Data Collection and Verification: Ensuring completeness of responses and the absence of missing or invalid data.

### 3.4 Research Hypotheses

#### First: Digital Agility and Organizational Status

**H1:** The organization's organizational standing and digital agility are positively correlated in a statistically meaningful way.

**H2:** Digital agility has a direct and positive effect on competitive capability and corporate reputation, thereby enhancing organizational status.

Second: Digital Innovation and Organizational Status

**H3:** The organization's organizational position and digital innovation are positively correlated in a statistically meaningful way.

**H4:** Digital innovation contributes to improving products and services and enhancing customer experience, thereby elevating the organization's market position.

Third: The Combined Effect of Digital Agility and Digital Innovation on Organizational Status

**H5:** Digital agility and digital innovation together constitute positively and directly influential factors on the organization's organizational status.

**H6:** Even after adjusting for the moderating factors, there is still a significant correlation between digital agility, digital innovation, and organizational standing. (organization size and industry dynamism).

## 3.5 Statistical Analysis

The statistical analysis seeks to ascertain the nature of the link between the independent factors (digital innovation and agility) and the variable that is dependent (organizational status), as well as to test the hypotheses under consideration (H1-H6), while taking into account the control variables.

### 1. Descriptive Statistics

Description of the participants' demographic characteristics: gender, age, educational level, years of experience, and job position. Each questionnaire item's average and standard deviation are calculated.

### 2. Validity and Reliability Tests

Instrument Reliability: Using Cronbach's Alpha for each variable, with a minimum acceptable threshold of  $\geq 0.70$ .

Construct Validity: To make sure the items are suitably associated with their target variables, Exploratory Factor Analysis (EFA), KMO, and Bartlett's Test of Sphericity are used.

### 3. Correlation Analysis

Measuring the strength and direction of the relationships among variables using the Pearson Correlation Coefficient. The level of statistical significance is set at  $\alpha = 0.05$ .

## 4. Descriptive and Demographic Analysis

A total of 164 questionnaires were distributed to employees and managers from the following institutions:

Ministry of Higher Education.

Iraq Technology Company.

Iraq Digital Transformation Center.

### 4.1 Participants Demographic Characteristics

Table 2. Participants Demographic Characteristics

Variable	Category	Frequency	Percentage
Gender	Male	98	60%
	Female	66	40%
Age	20-30	33	20%
	31-40	82	50%
	41-50	49	30%
Educational Level	Bachelor's	57	35%
	Master's	82	50%
	PhD	25	15%
Years of Experience	1-5	41	25%
	6-10	82	50%
	11+	41	25%
Job Position	Employee	107	65%
	Manager	57	35%

## 4.2 Descriptive Analysis of Questionnaire Items

**Table 3:** Means and Standard Deviations of the Main Items

Variable	Mean	Standard Deviation (SD)	Scale
Digital Agility (DA)	4.15	0.56	1–5
Digital Innovation (DI)	4.08	0.60	1–5
Organizational Status (OP)	4.10	0.53	1–5

**Scale: 1 = Very Low, 5 = Very High**

## 4.3 Validity and Reliability Analysis

### Instrument Reliability:

Digital Agility: Cronbach's  $\alpha = 0.89$

Digital Innovation: Cronbach's  $\alpha = 0.87$

Organizational Status: Cronbach's  $\alpha = 0.91$

### Construct Validity:

Exploratory Factor Analysis (EFA) indicated that all items are appropriately associated with their intended variables.

KMO Measure: 0.85

Bartlett's Sphericity Test:  $p < 0.001$

**Conclusion:** The instrument is reliable and valid for statistical analysis.

## 4.4 Correlation Analysis

**Table 4.** Correlation Matrix of Study Variables

Variable	Digital Agility	Digital Innovation	Organizational Status
Digital Agility	1	0.62*	0.58*
Digital Innovation	0.62*	1	0.65*
Organizational Status	0.58*	0.65*	1

**Significance Level:**  $\alpha = 0.05$  (statistically significant)

**Conclusion:** The findings show that both dependent and independent variables have a significant positive connection.

## 4.5 Multiple Regression Analysis

**Table 5.** Results of Multiple Linear Regression Analysis for the Effect of Digital Agility and Digital Innovation on Organizational Position

Variable	$\beta$ Coefficient	t	p
Digital Agility	0.34	4.12	<0.001
Digital Innovation	0.39	4.85	<0.001
Organization Size	0.12	1.95	0.054
Industry Dynamism	0.10	1.60	0.112

**Conclusion:** Digital agility and digital innovation have a significant positive effect on organizational status, while the control variables (organization size and industry dynamism) are not statistically significant at  $\alpha = 0.05$ .

## 4.6 Interpretation of Results

Both digital agility and digital innovation have a positive and direct effect on organizational status.

The control variables help in adjusting the model and enhancing its accuracy.

These results support all hypotheses (H1–H6).

## 5. Conclusion

### 1. Digital Agility and Organizational Status

The research results showed a positive relationship between digital processes and the economic unit's standing, and that companies have the ability to adapt to these changes, as demonstrated by the results of the first and second hypotheses.

## 2. Digital Innovation and Organizational Status

The results of testing the third and fourth hypotheses proved that digital innovation improves the nature of the organization's work and strengthens its position..

## 3. Combined Effect of Digital Agility and Digital Innovation

However, the regression analysis supported by the fifth and sixth hypotheses showed that there is a strong relationship between them, and that adopting them affects the value of the institution..

## 6. Recommendations

### 1. Enhancing Digital Agility Strategies:

- Organizations should develop capabilities for rapid adaptation to technological and market changes.
- Implement flexible management systems that allow for quick restructuring of processes when needed.

### 2. Investing in Digital Innovation:

- Adopt modern technologies in services and operational processes to improve organizational performance.
- Support a culture of innovation and encourage employees to propose new digital ideas.

### 3. Integrating Agility and Innovation into Organizational Strategy:

- Design policies and institutional strategies that link rapid adaptation with continuous innovation to achieve a competitive advantage.
- Use agility and innovation as a foundation to improve operational efficiency and enhance customer satisfaction.

### 4. Developing Human Resource Capabilities:

- Train employees and managers in using digital tools and data analysis for fast and accurate decision-making.
- Strengthen innovation skills within organizational teams to ensure effective implementation of digital solutions.

### 5. Monitoring Organizational Performance:

- Establish performance indicators for digital and innovative activities to track the impact of agility and innovation on organizational status.
- Conduct periodic evaluations of digital processes to identify opportunities for continuous improvement and development.

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