

The impact of strategic thinking on organizational performance: an applied study on the Jordanian commercial banking sector

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Al-Zaytoonah University of Jordan, 2023

Abstract

The purpose of this study is to investigate the effect of strategic thinking on organizational performance. Specifically, it aims to investigate whether strategic thinking with its dimensions (focused intent, thinking in time, intelligent opportunism, hypothesis-driven, and systems perspective) impacts organizational performance with its dimension (flexibility, profitability, market share, service quality) in the Jordanian commercial banks.

The study utilized the analytical descriptive method. The main instrument of research used in this study was the developed survey questionnaire. Data were collected through the distribution of 470 questionnaires, 412 responses were obtained of which 19 questionnaire answers contained missing information, and a total of 393 questionnaires were valid for analysis representing a response rate of 83.6%. Data gathered were statistically treated using (SPSS) software. In testing the hypotheses multiple regression was used.

The results of the research showed that the level of strategic thinking in the Jordanian commercial banks was high, and strategic thinking was noted to be linked with organizational performance. The result of the multiple regression test revealed that there was a significant and, positive statistical effect of strategic thinking with its dimensions (focused intent, thinking in time, intelligent opportunism, hypothesis-driven, and systems perspective) on all dimensions (flexibility, profitability, market share, service quality) of organizational performance at the level of significance (α 0.05).

Based on these findings, some recommendations were proposed that would enhance the principles of strategic thinking in Jordanian commercial banks, the subject of the study. This study recommends that the management of the subject banks should pay more attention to the development of its programs and systems of strategic thinking, so it will be more developed which would contribute to enhancing organizational performance by establishing more strategic research centers for future studies to raise awareness among intellectual leaders.

The study also recommended strengthening training courses and workshops in Jordanian commercial banks to enrich the knowledge and skills of administrators, by issuing magazines and periodicals and holding seminars and conferences, which positively would reflect the adoption of the strategic thought.

Keywords: Strategic management, strategic thinking, organizational performance, Jordanian commercial banks.

