

Impact of Information Quality as Mediator Variable in the Relationship Between Strategic Fitness and determining Strategic Position-Case Study: Al-sharg Foundation for Press and Publishing - Saudi Arabia

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Abstract

The purpose of this study is to investigate the impact of information quality as mediator variable in the relationship between Strategic Fitness and determining Strategic Position, the research is descriptive-correlative type and a questionnaire consisted of (31) items based on 5-point Likert-scale designed to collect the data from the higher and executive departments. (65) copies of questionnaire distributed but only (86%) received and valid for analysis. Reliability of questionnaire obtained (0.92) using Cronbach's alpha. The content and face validity of the questionnaire determined through the viewpoints of experts in management department. The data analyzed at arithmetic mean, standard deviation, coefficient, factor analysis, Pearson correlation coefficient and regression analysis by the SPSS software version (16.1). The findings showed that there is a positive significant correlation between the Strategic Fitness and determining Strategic Position, and positive relationship between information quality and Strategic Fitness. Also, a positive relationship between information quality and determining Strategic Position and information quality mediator the relationship between Strategic Fitness and determining Strategic Position. The researcher recommended that it is possible applying this study in other similar organizations, although the quality of information is important in the relationship between strategic Fitness in determining the strategic position of the foundation. However, the researcher recommends in-depth study of other factors more influential in the development Strategic Fitness relationship to determine the strategic position of the foundation and the study reflected that the foundation suffers from some weaknesses in a number of aspects, the most important of which are the operational and financial aspects, high management should take this into consideration. The researcher also recommends an analysis of the impact of the competitive and internal environment on the formulation of the strategy (vision- goals and strategies) for this Foundation.

Keywords

Information Quality, Strategic Fitness, Strategic Position

I. Introduction

Now, economic and administrative phenomenon has emerged. It is the decline in some of the giant organizations, despite their possession of the capabilities and the huge assets and prosperity of other organizations started small, What is the reason? Organizations with a strategic position. It is committed to creating high Fitness with environmental variables. Based on that: "Change is the law of existence", In addition the interesting of these organizations for the quality of information, in addition considered as an effective way to determine the strategic fitness to determine the strategic position. (Al-Sabah, A. 2009)

Problem of the Study

This study have tried to answer the following questions:

1. Is there an impact for the Strategic Fitness which rely on the information quality to determining the Strategic Position?
2. Is there an impact For information quality on Strategic Fitness?
3. Is there an impact for the information quality and determining Strategic Position?
4. Is there an impact for the information quality in the relationship between Strategic Fitness and determining Strategic Position?
5. What is the organization's ability to determining the strategic position ?

Importance of study

The importance of this study is shown through:

1. Demonstrate that strategic Fitness is a central element in determining the strategic position of the organizations.
2. Providing strategic Fitness as a method of new methods to measure the strategic position of the organizations.
3. Explore the effectiveness of Information Quality as Mediator Variable in the Relationship Between Strategic Fitness and Strategic Position.

Significance and Objectives of the study

This study aims to test the information quality as mediator variable in the relationship between Strategic Fitness and Strategic Position, that is through:

1. Determining the relationship between Strategic Fitness which rely on the information quality to determine the strategic position of this Foundation.
2. Determining the relationship between information quality and Strategic Fitness of this Foundation.
3. Determining the relationship between information quality and Determining Strategic Position of this Foundation.
4. Testing the mediation role of information quality between Strategic Fitness and Strategic Position of this Foundation.

The limit of the study:

1. Theoretical limit: The study based on three variables will be referred it in the model of the study.
2. Time limit: The study based on data which have collected from community of study - 2017.
3. The Spatial limit: Al-sharg Foundation for Press and Publishing - Saudi Arabia

Definitions of Study Variables:

1. The concept of Information Quality

Information quality (IQ) is the quality of the content of information

systems. It is often pragmatically defined as: “The fitness for use of the information provided”. (Churchman, C.W. 2006)

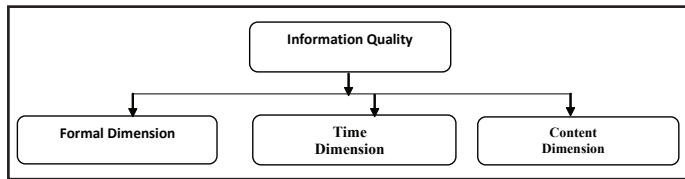


Fig. 1: Information Quality

2. The Concept of Strategic fitness

Strategic Fitness (SF) Is the degree to which an organization is matching its resources and capabilities with in the external and internal environment, The matching takes place through strategy and it is therefore vital that the company has the actual resources and capabilities to execute and support the strategy. (Grant, Robert M. 2007).

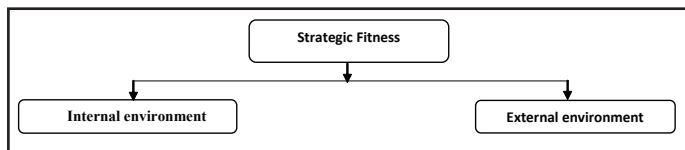


Fig. 2: Strategic Fitness

3. The Concept of Strategic Position

The strategic position (SP) is concerned with the impact on strategy of the external environment , internal resources and competences and the expectation and influence of stakeholders, together, a consideration of the environment, strategic ability, the expectation the purposes within the cultural and political framework of the organization provides for understanding the strategic position an organization. (Johnson & Scholes, 2005)

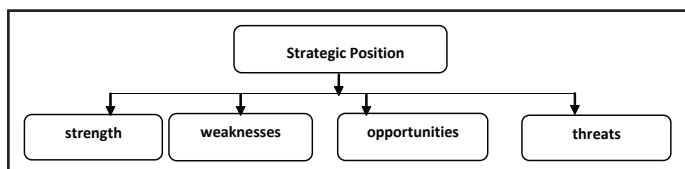


Fig. 3: Strategic Position

Model of the Study

The model examines the relationship between the Strategic Fitness (Independent Variable) and determining Strategic Position (dependent variable) and information quality (mediator variable) In order to achieve the objectives of the study.

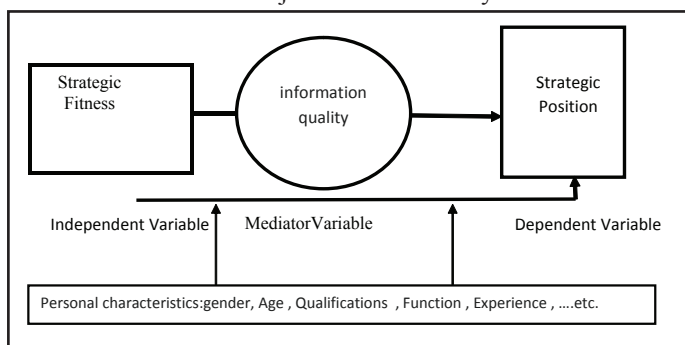


Fig. 4: Model of the Study.

The Hypotheses of The Study: Depending on figure [4] the study is testing the following hypotheses :

H1: There is a positive relationship between Strategic Fitness and determining strategic Position.

H2: There is a positive relationship between information quality and Strategic Fitness.

H3: There is a positive relationship between information quality and determining strategic Position.

H4: Information quality mediator the relationship between Strategic Fitness and determining Strategic Position.

Methodology and result: “method, measure, sample and data collections”:

To collect data from statistical sample to test the hypotheses, a descriptive analysis method used and a questionnaire designed to collect the data from the sample. The questionnaire formed in two categories, the first one to decide the characteristics of the statistical sample like education, work experience, age, and gender...etc. The second group is to test the hypotheses of the study we paid particular attention to sampling and data collection process. The decision makers in Al-sharg Foundation for Press and Publishing - Saudi Arabia have chosen to conduct this study. Before distributing all questioners, the formal or symbolic validity used to find the validity of data gathering. For this purpose a primary questionnaire was validate by some professors and experts. So that they comment on the questionnaire after this step the questionnaire redesigned. The Cronbach’s coefficient alpha test was conducted to measure the internal consistency reliability and the result of tested as it is seen on table(1).

Table 1: Reliability Test of Questionnaire Using Alpha Cronbakh

Variable	No of items	Alpha Cronbakh value
Strategic Fitness	10	0.87
information quality	11	0.86
Strategic Position	10	0.89

As it is shown in the Table 1 all values of alpha Cronbakh are greater than 0.06 as the result of this step, a proposal number of questionnaires distributed (65 copies of the questionnaire) and only (86%) received and valid for analysis.

Table 2: Resources of Measurements

Variable	Resources of scale	Measures
information quality	Fayiz , Al-naggar , (2008)	<ul style="list-style-type: none"> Formal dimension Time dimension content Dimension
Strategic Fitness	Al-Sabah,A(2009)	<ul style="list-style-type: none"> Internal environment External environment
Strategic Position	Mell , (2002). Daft, (2001)	<ul style="list-style-type: none"> strengths weaknesses opportunities threats

Measure factor analysis: Factor analysis is a useful tool for investigating variable relationships for complex concepts and it allows researchers to investigate concepts that are not easily measured directly by collapsing a large number of variables into a few interpretable underlying factors, therefore the scales were submitted to principal component analysis using SPSS and the result of analysis for any variable of the study will be shown below:

Table 3: Rotated Component Matrix of Strategic Fitness (Independent Variable)

Component	Items
0.82	SF1
0.81	SF2
0.83	SF3
0.88	SF4
0.79	SF5
0.78	SF6
0.85	SF7
0.86	SF8
0.83	SF9
0.79	SF10
69.345	Eigen Value
69.345	Eigen value Total
0.857	Kaiser –Meyer-Olkin (KMO)
435.010	Bartlett,s Test of Sphercity

From Table 3 it is as seen that the rotated matrix came in one component and the loading value for all items are greater than 0.5 (cut point) in additional eigen values greater than one and the result (SF1, SF2, SF3, SF4, SF5, SF6, SF7, SF8, SF9, SF10), were chosen items to measure Strategic Fitness (Independent Variable)

Table 4: Rotated Component Matrix of information quality (Mediator Variable)

Component	Items
0.84	QI1
0.81	QI2
0.80	QI3
0.79	QI4
0.86	QI5
0.80	QI6
0.82	QI7
0.79	QI8
0.78	QI9
0.84	QI10
0.86	QI11
57.86	Eigen Value
57.86	Eigen value Total
0.820	Kaiser –Meyer-Olkin (KMO)
454.330	Bartlett,s Test of Sphercity

From Table 4 it is as seen that the rotated matrix came in one component and the loading value for all items are greater than 0.5 (cut point) in addition, eigen values greater than one and the result (QI1, QI2, QI3, QI4, QI5, QI6, QI7, QI8, QI9, QI10, QI11) were chosen items to measure information quality (Mediator Variable).

Table 5: Rotated Component Matrix of Strategic Position (Dependent Variable)

Component	Items
0.81	SP1
0.80	SP2
0.83	SP3
0.79	SP4
0.84	SP5
0.81	SP6
0.88	SP7
0.79	SP8
0.75	SP9
0.82	SP10
60.806	Eigen Value
60.806	Eigen value Total
0.750	Kaiser –Meyer-Olkin (KMO)
390.410	Bartlett,s Test of Sphercity

From Table 5 it is as seen that the rotated matrix came in one component and the loading value for all items are greater than 0.5 (cut point) in addition, eigen values greater than one and the result (SP1, SP2, SP3, SP4, SP5, SP6, SP7, SP8, SP9, SP10) were chosen items to measure Strategic Position (Dependent Variable).

Table 6: Descriptive Analysis of The Study Variable

Variable	Type of Variable	Arithmetic mean	standard deviation
Strategic Fitness	Independent	3.80	0.791
information quality	Mediator	3.75	0.805
Strategic Position	Dependent Variable	3.80	0.810

Note: All variables used a 5-point Likert scale (1= strongly disagree, 5= strongly agree)

Test of Hypotheses of The Study:

The aim of this linear regression analysis is to test the hypothesis of the study and to determine the strongly and the type of the relation . The result will be shown in the next tables :

1. Relation between Strategic Fitness and Determining Strategic Position(Opportunities):

The aim of this linear regression analysis is to test the hypothesis (Relation between Strategic Fitness and Strategic Position (Opportunities)) and to determine the strongly and the type of the relation. The result will be shown in the next table.

Table 7: Relation between Strategic Fitness and Strategic Position (Opportunities)

Variable	Opportunities	
Strategic Fitness	Beta	Sig.
	0.66**	.000
	R Square=0.390 , Adjusted R Square=0.385, F=52.535 and Sig=0.000	

The result of linear regression analysis between the dependent variable Strategic Fitness and independent variable (Opportunities)

as it is seen in table (8) the result shows the model of research is statistically significant ($F=52.535$ and $**p<0.01$) and a positive significant relation between Strategic Fitness and Strategic Position(Opportunities).(Beta=0.66 and Sig. = 0.000) is founded.

2. Relation between Strategic Fitness and determining Strategic Position (Threats)

The aim of this linear regression analysis is to test the hypothesis relation between Strategic Fitness and Strategic Position(Threats) and to determine the strongly and the type of the relation . The result will be shown in the next table.

Table 8: Relation between Strategic Fitness and determining Strategic Position (Threats):

Variable	Threats	
Strategic Fitness	Beta	Sig.
	0.61**	.000
	R Square=0.490 , Adjusted R Square=0.420,F=66.217 and Sig=0.000	

The result of linear regression analysis between the dependent variable Strategic Fitness and independent variable Strategic Position(Threats) as it is seen in table (9) the result shows the model of research is statistically significant ($F=66.217$ and $**p<0.01$) and a positive significant relation between Strategic Fitness and Strategic Position(Threats). (Beta=0.61 and Sig. = 0.000) is founded .

3. Relation between Strategic Fitness and determining Strategic Position(Strengths):

The aim of this linear regression analysis is to test the hypothesis relation between strategic fitness and Strategic Position(Strengths)and to determine the strongly and the type of the relation . The result will be shown in the next table.

Table 9: Relation between Strategic Fitness and determining Strategic Position(Strengths):

Variable	Strengths	
Strategic Fitness	Beta	Sig.
	0.70**	.000
	R Square=0.602 , Adjusted R Square=0.630,F=63.350 and Sig=0.000	

The result of linear regression analysis between the dependent variable strategic fitness and independent variable (Strengths) as it is seen in table (11) the result shows the model of research is statistically significant ($F=63.350$ and $**p<0.01$) and a positive significant relation between Strategic Fitness and determining Strategic Position(Strengths). (Beta=0.70 and Sig. = 0.000) is founded.

4. Relation between Strategic Fitness and Strategic Position (Weaknesses):

The aim of this linear regression analysis is to test the hypothesis relation between strategic fitness and strategic position(Weaknesses) and to determine the strongly and the type of the relation . The result will be shown in the next table.

Table (10): Relation between Strategic Fitness and determining Strategic Position(Weaknesses)

Variable	Weaknesses	
Strategic Fitness	Beta	Sig.
	0.59**	.000
	R Square=0.600 , Adjusted R Square=0.590,F=56.370 and Sig=0.000	

The result of linear regression analysis between the dependent variable strategic fitness and Dependent variable (Weaknesses) as it is seen in Table (12) the result shows the model of research is statistically significant ($F=56.370$ and $**p<0.01$) and a positive significant relation between Strategic Fitness and determining strategic position(Weaknesses). (Beta=0.59 and Sig. = 0.000) is founded.

5. Relation between Information Quality and Strategic Fitness

The aim of this linear regression analysis is to test the hypothesis relation between information quality and strategic fitness and to determine the strongly and the type of the relation. The result will be shown in the next table.

Table 11: Relation Between Information Quality and Strategic Fitness

Variable	Strategic Fitness	
information quality	Beta	Sig.
	0.75**	.000
	R Square=0.550 , Adjusted R Square=0.580,F=56.059 and Sig=0.000	

The result of linear regression analysis between the mediator variable information quality and dependent variable strategic fitness as it is seen in Table (13) the result shows the model of research is statistically significant ($F=56.059$ and $**p<0.01$) and a positive significant relation between information quality and strategic fitness. (Beta=0.75 and Sig. = 0.000) is founded.

Table 12: Relation between Information Quality and determining Strategic Position (Opportunities)

Variable	Opportunities	
information quality	Beta	Sig.
	0.70**	.000
	R Square=0.508 , Adjusted R Square=0.520 , F=68.259 and Sig=0.000	

The result of linear regression analysis between the mediator variable information quality and independent variable (Opportunities) as it is seen in Table (8) the result shows the model of research is statistically significant ($F=68.259$ and $**p<0.01$) and a positive significant relation between the mediator variable information quality and independent variable (Opportunities).(Beta=0.70 and Sig. = 0.000) is founded .

2. Relation between information quality and Strategic Position(Threats)

The aim of this linear regression analysis is to test the hypothesis relation between Strategic Fitness and Strategic Position (Threats) and to determine the strongly and the type of the relation. The result will be shown in the next table.

Table 13: Relation Between Information Quality and determining Strategic Position (Threats):

Variable	Threats	
information quality	Beta	Sig.
	0.69**	.000
	R Square=0.620 , Adjusted R Square=0.619,F=68.450 and Sig=0.000	

The result of linear regression analysis between the mediator variable information quality and independent variable Strategic Position(Threats) as it is seen in table (9) the result shows the model of research is statistically significant (F=68.450 and **p<0.01) and a positive significant relation between information quality and determining Strategic Position(Threats). (Beta=0.69 and Sig. = 0.000) is founded .

3. Relation between information quality and Strategic Position (Strengths):

The aim of this linear regression analysis is to test the hypothesis relation between information quality and strategic position(Strengths) and to determine the strongly and the type of the relation . The result will be shown in the next table.

Table (14): Relation between information quality and determining Strategic Position(Strengths):

Variable	Strengths	
information quality	Beta	Sig.
	0.67**	.000
	R Square=0.580 , Adjusted R Square=0.606,F=56.890 and Sig=0.000	

The result of linear regression analysis between the mediator variable information quality and independent variable (Strengths) as it is seen in Table (11) the result shows the model of research is statistically significant (F=56.890 and **p<0.01) and a positive significant relation between information quality and determining strategic position(Strengths). (Beta=0.67 and Sig. = 0.000) is founded.

4. Relation between information quality and determining Strategic Position(Weaknesses):

The aim of this linear regression analysis is to test the hypothesis relation between information quality and strategic position(Weaknesses) and to determine the strongly and the type of the relation. The result will be shown in the next table.

Table 15: Relation Between Information Quality and Determining Strategic Position (Weaknesses)

Variable	Weaknesses	
information quality	Beta	Sig.
	0.72**	.000
	R Square=0.579 , Adjusted R Square=0.588,F=60.444 and Sig=0.000	

The result of linear regression analysis between the mediator variable information quality and dependent variable (Weaknesses) as it is seen in table (12) the result shows the model of research is statistically significant (F=60.444 and **p<0.01) and a positive significant relation between information quality and

determining strategic position(Weaknesses). (Beta=0.72 and Sig. = 0.000) is founded.

6. Information quality mediator the relationship between Strategic Fitness and determining Strategic Position:

The purpose of this linear regression analysis is to test the hypotheses which states: information quality mediator the relationship between Strategic Fitness and determining Strategic Position , to test these hypotheses, this study applied a three-step hierarchical regression recommended by (Baron and Kenny (1986)) . The first step, the independent variable must affect the dependent variable significantly (β_1 must be significant), the second step, the independent variable should affect the mediating variable (β_2 must be significant), and the third step, mediating variable must influence the dependent variable significantly (β_3 must be significant). On the other hand, in order to establish whether the mediator is fully or partial mediating the relationship between the independent variable and dependent variable, the impact of independent variable on dependent variable controlling for mediating variable should zero or β_4 is not significant in fully mediator, while partial mediator exists once β_4 is significant but reduced. Based on the results of linear regression analysis that presented in above table the result of this table shows strategic fitness has a positive significantly relation with Strategic Position (tables 7-10) ,in addition to that table (11) showed strategic fitness significantly relation with information quality ($\beta = 0.75$ and sig=0.000). On the other hand showed information quality has a positive significantly relation with strategic position (tables 12-15). Accordingly, the conditions for testing the mediation of information quality is fulfilled mediation conditions above .

Table 16: Hierarchical Regression : Mediation information quality to the relationship between Strategic Fitness and strategic Position

Variable	Strategic Fitness / Strategic Position			
	Mode 1		Mode 2	
Information quality	Beta	Sig.	Beta	Sig.
	**0.510	0.000	**0.490	0.000
R Square	0.4400		0.500	
F	59.310 and sig=000		19.250 and sig=000	

Thus, the mediation of information quality based considered with the relationship between strategic fitness and determining strategic position. Based on the results of hierarchical regression analysis that presented in Table(16) In model (1), the results showed that information quality significantly influenced in strategic fitness with the beta coefficient ($\beta = 0.510$). In model (2), an extent of strategic fitness significantly changed the variance explained by information quality the beta value coefficient decreased ($\beta = 0.490$). Concerning the type of mediation of information quality on the relationship between strategic fitness and strategic position were significantly reduced (in model 2) this indicated that information quality based fully mediated the relationship between strategic fitness and determining strategic position.

Findings:

Analyzing the questions revealed the following results: shows strategic fitness has a positive significantly relation with determining strategic position (tables 7-10) in addition to that table (11) showed strategic fitness significantly relation with information quality ($\beta=0.75$ and $\text{sig}=0.000$). On the other hand table (12-15) showed information quality has a positive significantly relation with determining strategic Position Accordingly, the conditions for testing the mediation information quality is fulfilled mediation conditions above. Based on the results of linear regression analysis that presented in table (7-10) the result of this table shows strategic fitness has a positive significantly relation with determining strategic position, in addition to that table (11) showed strategic fitness significantly relation with information quality ($\beta=0.75$ and $\text{sig}=0.000$). On the other hand tables (12-15) showed information quality has a positive significantly relation with determining strategic position. Accordingly, the conditions for testing the mediation information quality is fulfilled mediation conditions above. The results of the study were shown that is agreement of sample research In determining strategic position indicator is: (Strengths = 19%, Weaknesses = 11%, Opportunities = 25% and Threats = 45%).

Table 17: Summary of Hypothesis Testing:

Item	Statement of Hypothesis	Remark
H1	There is a positive relationship between Strategic Fitness and determining Strategic Position	Fully Supported
H2	There is a positive relationship between information quality and Strategic Fitness.	Fully Supported
H3	There is a positive relationship between information quality and determining Strategic Position	Fully Supported
H4	information quality mediator the relationship between Strategic Fitness and determining Strategic Position.	Fully Supported

Note: Fully Supported means the relation is significant and positive.

Recommendations: This study recommends the following:

The possibility of applying this study In other similar organizations.

Although the quality of information it is important in the relationship between strategic Fitness in determining the strategic position of the institution, However, the researcher recommends in-depth study of other factors more influential in the development Strategic Fitness relationship to determine the strategic position of the institution.

The study reflected that the institution suffers from some weaknesses in a number of aspects, the most important of which are the operational and financial aspects, high management should take this into consideration.

The researcher also recommends an analysis of the impact of the competitive and internal environment On the formulation of the strategy (vision- goals and strategies) for this institution.

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