

-RESEARCH ARTICLE-

## THE IMPACT OF STRATEGIC CONSENSUS ON ORGANIZATIONAL PERFORMANCE BY MEDIATING STRATEGIC ALIGNMENT

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### —Abstract—

This study investigates the influence of Strategic Consensus (SC) on Organizational Performance (OP), with Strategic Alignment (SA) serving as a mediating variable, within private academic institutions in Iraq. The research utilized scales developed to measure each variable: SC, OP, and SA, all of which are unidimensional. The sample comprised 131 senior participants, including deans and faculty council members, with questionnaires distributed across three institutions: Dijla University College (35 respondents), Baghdad College of Economic Sciences (31 respondents), and the University of Uruk (65 respondents). Data analysis employed various statistical techniques, including normality testing, confirmatory factor analysis, descriptive statistics, Pearson correlation analysis, regression analysis with structural equation modelling, and path analysis, using SPSS and AMOS software. Key findings indicate a direct effect of Strategic Consensus on Organizational Performance and an indirect effect through Strategic Alignment among the studied colleges in Iraq.

**Keywords:** Strategic Consensus, Strategic Alignment, Organizational Performance, Private Colleges.

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## INTRODUCTION

Consensus is a subject of strategic management since the late 1960s. Recently, expressions like "agreement" or "cohesion" had been employed instead of consensus. Though some variation in recent terminology, the primary emphasis on agreement among superior managers on strategic issues remained relatively reliable for over three decades. In fact, until the late 1980s, many researchers dealt with a relatively specified definition of Strategic Consensus (SC) as agreement among top managers on strategic goals and means (Li & Guo, 2021). Initially, (SC) primarily stands for the alignment of views and understanding of the organization's strategy among employees and organisation. This means that organisation, as rational subjects of decision-making, have treated this understanding as a perceptible and objective factor which is easily enhanced, tracked, and controlled (Al Mansour & Obembe, 2018). Cooperation is more suitable for long-term development and reaching (SC) on aspects related to mutual interests, such as market development, operations management, and marketing management (Sharma & Behl, 2023). In recent decades, Strategic Alignment (SA) has garnered significant attention from researchers and practitioners alike. It has become more difficult and complex with the increasing dynamics of change. Sardana et al. (2016) introduced the first concept of the need for strategic alignment in industrial organisations.

Nowadays, (SA) lies at the core of strategic management as maintaining alignment with the organization's priorities improves its responsiveness to environmental pressures and goes towards a greater level of performance through the integration of the key dimensions of the organization's goals. The (SA) dates back to contingency theory in management and is represented by the outer and inner environments of the organization (Acur et al., 2012). Based on this, it is not possible to maintain Strategic Alignment (SA) due to the relentless changes organisation face in the business environment (Ghonim et al., 2022). In the context of (SA), the process of change that begins with evaluating and verifying the validity of the problems that need to be addressed before reporting them. The framework is based on systems theory to detect how organisational elements, factors, and dynamics work together to achieve a specific outcome. It heavily relies on mutual collaboration and strategic thinking to enrich the decision-making process and identify directions (Guerra-López & El Dallal, 2021).

(OP) is a compound and multidimensional phenomenon in business literature. (OP) consists of the actual outcomes of the organization, that might probably be measured against desired results, objectives, and goals (Al Khajeh, 2018).

In this regard, organisations need to understand the drivers of (OP) and establish a balanced system for organisational growth. Therefore, organizations with self-

motivation and dynamism adopt multi-faceted strategies simultaneously, seeking to achieve organizational goals and accelerate performance (Abbas & Kumari, 2021). (OP) can be challenging due to various criteria, including sustainability, profitability, stakeholder satisfaction, and readiness to deal with environmental changes (Anwar & Abdullah, 2021). Currently, organisations strive to maintain their presence in the global market due to globalization challenges, competition, and technological advancements. Organisations altered their hub from growing productivity and differentiation of products and services to focussing on human capital because employees are the most important source in any organisation, Organisations that effectively and efficiently manage their human capital are more capable of achieving their organisational goals and are likely to have sustainable organisational performance (Al Aina & Atan, 2020).

There are different philosophies regarding organisational performance, The organization's ability to make specific goals, like retaining profits, gaining a competitive advantage, increasing market share, and implementing organisational strategies and action plans, determines its overall performance (Olan et al., 2019). The best performance relies on the overall performance of directly linked employees within the organisation. In spite of the significance of technology and its impact on (OP), understanding employees and their performance is crucial for advancing the organization's purpose, mission, and strategies (Berberoglu, 2018). To persist and be successful in modern competitive business, it is necessary to vie in a market in which customers, inputs, and capital are indicators of (OP) (AlShehhi et al., 2020). An organisation can improve performance when it is measurable (Lee et al., 2022). Enthusiastic employees working in a positive climate provide more effective customer service, enhancing (OP) and achieving financial gains for stakeholders (Arif & Akram, 2018). Since the growth and success of organizations count on the performance of their employees, all issues related to infrastructure, development, and remote work will be equally relevant to the (OP) .(OP) is widely explained in academic literature because it encompasses multiple meanings (Alnuaimi et al., 2021).

The current problem is centred on a set of research motivations shaped by researchers' perspectives and their understanding of the research field and the practical application of research variables. Although strategic consensus (SC) has been studied at both the organizational and partial levels, there are still noticeable gaps in knowing the effects of (SC) on organizational outcomes. Despite the abundance of research and studies addressing organizational performance (OP), there is still ample room for further research and study to frame this broad concept, especially as it is no longer a simple concept with universally agreed-upon measures.

While Atrategic Alignment (SA) seeks to link the company's strategic goals with the goals of each activity or function within it, and then work to enhance these links in a

way that serves the organization's strategy. Based on this, the main research problem can be formulated with the following question: "How does strategic consensus among private colleges affect their organizational performance through the mediation of strategic alignment?"

## **Theory Development and Hypotheses**

### **Strategic Consensus (SC)**

Consensus is a basis for decision-making, preceding actual decisions, "which involve discussions and negotiations to reach mutually acceptable conclusions". This encourages taking actions that support consensus-building, followed by active steps to build consensus for solving customer problems, particularly in the marketing field (Ohno et al., 2020). Strategic Consensus (SC) is considered the shared vision among managers regarding the organization's strategic priorities. It is defined as "greater levels of SC are definitely linked with coordination and cooperation in strategy implementation, and thus (OP)" as well. Moreover, Mirzaei and Winroth (2016) stressed the involvement of all employees who possess strategic qualities aligned with the organisations strategy to achieve strategic consensus by fulfilling operational goals and policies. It also identifies it as the degree of shared understanding of strategic priorities among interconnected teams at the high, middle, and lower levels of the organisation (Porck et al., 2020). Strategic priorities stand for the noticed relative significance of specific initiatives or issues at the organisational level by employees, and the literature has indicated the existence of a level of (SC) within a small group at the top of the organisational hierarchy and the strategic priorities of the organization (Desmidt & George, 2016). Though, variances in demographic characteristics can also hinder communication, the development of (SC), and decision-making, which impede strategy implementation and lead to negative results. Therefore, more specifically, those that examine how (SC) (or the lack thereof) affects company performance provide conflicting results (Haapanen et al., 2020).

### **Strategic Alignment (SA)**

Strategic Alignment (SA) stands for the organisation's mission supports its integrated strategic goals and plans and their timely implementation. Strategic alignment works to enhance the understanding of top-level executives in the organisation about the importance and value of achieving alignment and the significance of strategic information, improving managers' understanding of strategic information in relation to achieving business objectives. Research that organisations might enhance their competitive advantage, market responsiveness, and performance by achieving (SA), The principles of (SA), financial results, customers, internal processes, and employees contribute to the comprehensive participation of stakeholders, enabling organisations to better connect strategic decisions to operations (Lees, 2020). The concept of (SA) is

considered the most important and emerging issue in modern organisations. Researchers have found that many organisations fail to realise available opportunities, leading to performance decline due to a lack of (SA). Additionally, failure to align with organizational strategic goals may result in organisational failure (Liang et al., 2017). From the aspect of Alcaide Muñoz et al. (2023), (SA) is defined as a mechanism that allows an organisation to envision the relationship among its operations and strategies. It could undoubtedly enable organisational decision-makers to gather useful ideas based on their current operations. It is also known as the harmony of strategies with social and economic objectives.

Strategic Alignment (SA) is the extent to which a company's activities, products, technologies, and product development processes are directed, the essence of (SA) is the appropriate application of information systems to make them congruent with business strategy and effectively utilise information system resources to support business strategies the importance of (SA) helps both managers and planners understand each other's goals and plans. Its significance is evident not only during the formulation and articulation of strategies but also during their implementation as it enhances the processes of alignment and adaptation of systems and the decisions that guide organisational activities (McAdam et al., 2019). (Shao, 2019) indicates that alignment between managers and employees determines a company's ability to achieve a unified set of goals. Other evidence that strategic goals can lead to performance improvement if they are committed to at all organisational levels.

### **Organisational Performance (OP)**

Organisational performance (OP) is a basic tool in management research and has received significant attention. It is associated with several dimensions, including organisational outcomes, financial performance, and market performance. Therefore, small and medium-sized enterprises can get several benefits from external knowledge because they could be more responsive to market needs and flexible compared to larger organisations (Singh et al., 2021). (OP) is at the hub of each management endeavour, as there is no point for an organisation to exist if it does not operate according to specific goals and objectives. Organisations seek various avenues to help keep up and/or enhance (OP) (Khalid et al., 2019). According to Leitão et al. (2019), (OP) refers to the progress and development of an organisation. There is no universally accredited simple definition of (OP), and analysing (OP) is a crucial step in the organisational evaluation process. It is the outcome of all the processes undertaken by the organisation and reflects how the organisation deploys its resources and investments in a method that enables it to achieve its goals (Almaaitah et al., 2020).

Alaaraj et al. (2018) define it as a set of fiscal and non-fiscal indications that provide data about the degree where objectives and outcomes are achieved. (OP) refers to the evaluation of an employee's behaviour towards a specific job or task within the

organization (Kalogiannidis, 2021). Additionally, T. Wang et al. (2021) consider it a measurement and analysis system for outputs of work, allowing stakeholders to address areas of deficiencies. In the context of business, organisational management compares its planned goals with the actual results of its work. Therefore, (OP) stands out as a universally acknowledged managerial concept that is unanimously recognised for its importance in determining organisational outcomes. Organisational performance can be considered a substantial indicator for organizations in achieving their goals or objectives in both advanced and developing economies, in minor, medium-sized, and large organizations. Organisations can create new markets and increase their market share by employing environmentally friendly activities and practises (Berrone et al., 2017).

H. Wang et al. (2021) argue that an organisation's long-term objective might be validated by expanding customer loyalty, acquiring new customers, and improving the organisation's image and reputation. The importance of (OP) can be elucidated by monitoring and understanding the activities and nature of the economic organization, keeping track of the financial and economic conditions adjacent to it, aiding the process of financial data analysis, comparison, and evaluation, and aiding in how fiscal data is linked and measuring (OP). Furthermore, the knowledge gained by the organization supports cognitive integration among employees and processes within the organization, granting greater flexibility and better adaptation to its organizational structure, thereby fostering organizational innovation via the organization to enhance (OP) (García-Sánchez et al., 2018).

### **Strategic consensus and organizational performance**

Several researchers have demonstrated a positive relationship among (SC) and performance Aguinis et al. (2017), showed that in organisations working steadily, a high level of consensus leads to improved (OP). Evaluated the bearing among managers (SC) strategic priorities and organisational performance (OP), with the basic role of managerial responsibility. The results indicated that consensus on company strategic priorities has an impact on (OP), as consensus is vital for generating coordination and cooperation in achieving strategic priorities (Jabarzadeh et al., 2019). In the literature review, there are notable disagreements regarding the strategic relationship between consensus and performance. Dess concluded that the strength and direction of the analyzed relationships were inconsistent (Mirzaei and Winroth, 2016). He emphasized the importance of contingency variables in strategic research, showing that dynamics play a vital role as a key mediator in the relationship between organizational decisions and outcomes, with contingency or moderation variables potentially influencing the relationship between performance and consensus. It was also noted that the impact of consensus on performance is greater in highly uncertain environments, while the relationship between performance and consensus is stronger

in low-dynamic environments (Schaefer and Guenther, 2016). This indicates that consensus is beneficial in some contexts but not in others. Although the environmental factors affecting consensus have been studied theoretically and empirically, there is a lack of research on the moderating variables that influence how consensus impacts performance. Organizational performance relies on strong and effective strategic consensus within the organization. Previous studies have also indicated a positive relationship between strategic consensus and organizational performance. Therefore, achieving high company performance requires high strategic consensus (Bareas et al., 2019). Therefore, if consensus is the result of a "constrained" decision-making process, it is likely to produce lower decision quality, which can have a negative impact on (OP). It is essential to note that managers should be aligned with the existing strategic consensus to increase (OP) and even sustainable competitive advantage. There has been confirmation of a negative relationship among consensus and several measures of (OP). When activated because of the strategic process, consensus has positive effects on performance. Consensus should reduce uncertainty and clarify supporting roles, ultimately leading to performance improvement.

### **Strategic consensus and strategic alignment**

Alignment is a firm-level issue that affects organisational performance. Effective strategic Alignment (SA) is vital because it maintains the implementation of strategy at the operational level and provides opportunities for parallel and interactive development of products, services, and associated processes. Strategic alignment emphasises the need to focus on strategic priorities that facilitate process innovations, and enhance organisational capabilities (Mitić et al., 2017).

Strategic Consensus (SC) diminishes the detection of sub-unit goals at the expense of organisational goals. Theoretically, lower-level strategies are expected to align with higher-level strategies to enhance successful accomplishment by aligning basic decisions within the organisation, such as organisational goals and priorities. Lack of (SC) within the organisation can send conflicting signals to employees, leading to a failure in achieving organisational goals. Therefore, (SA) is a dynamic process over time. This approach is known as the "dynamic process of adaptation to environmental change and uncertainty". Hence, state that studying emergency cases in companies "cannot be universally described" but involves considering contextual emergencies. As highlighted by (McAdam et al., 2019).

### **Strategic alignment and organisational performance**

Recently, (Al-Surmi, 2016) found a direct relationship among alignment and performance, highlighting the importance of considering contingent factors in alignment studies. Also support this view. Additionally, studies indicated that (SA) has larger explanatory force due to its capability to capture the interwined and

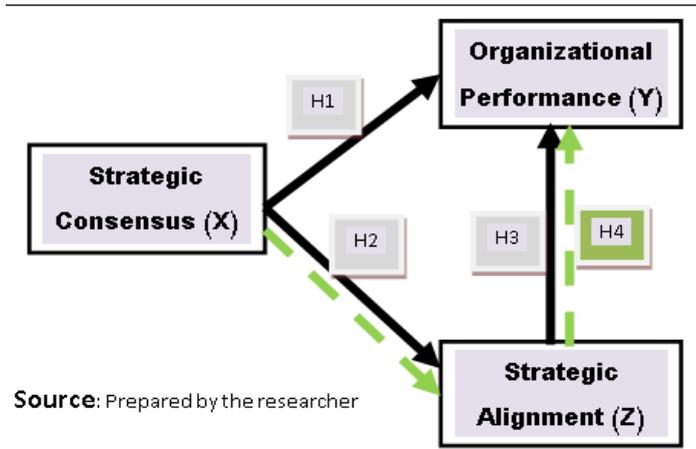
interrelated nature of relationships among several factors. Some research have confirmed that alignment allows a company to improve its (OP) It, moreover, gives some practical implications for decision-making processes related to the alignment of cost leadership, competitive orientation, and the relationship with (OP). [Anamanjia and Maina \(2022\)](#) pointed out that (SA) enables the organisation to seies opportunities, which is crucial for improving (OP). Maintained the positive effect of information technology alignment on company performance stated in a highly dynamic and competitive environment that there is a significant positive relationship between (SA) and performance. Based on the resource-based View (RBV) perspective, information technology and business alignment mightimprove performance. This is confirmed by [Fantazy and Salem \(2016\)](#), who stated that achieving alignment directs towards improving (OP). The Literature has mentioned that organizational owners face a range of challenges from dynamic internal and external environmental factors that impact (OP). One study discusses that top management can also have a basic role in achieving (SA). Considering that (SA) is a necessary condition for better (OP), top management should be responsible for achieving and maintaining alignment, or at least participating in it ([Turel et al., 2017](#)). The literature indicates that (SA) is necessary to enhance (OP), ensure companies' competitiveness, and promote organisational flexibility ([Zhou et al., 2022](#)). It is also of great importance because (SA) and (OP) are linked ([Ilmudeen et al., 2019](#)).

[Al-Surmi \(2016\)](#) points to a strong positive relationship between (SA) and (OP). (SA) depends on the strategy that contributes to achieving the organisation's goals and meets the requirements of the organisational work environment programs to fulfill part of the strategic objectives. [Islam et al. \(2020\)](#) identifies (SA) as one of the key properties of competitive privilege. For this reason, business executives stillinterested in (SA). According to [Williams et al. \(2018\)](#) argue that (SA) enhances (OP) and enables organisations to get a more competitive benefit. Changes in organizational structure are crucial for securing the competitive advantage and achieving superior performance for companies.

### **Strategic Alignment as a Mediator between Strategic Consensus and Organizational Performance**

Beyond the primary effects of SC and SA, it is posited that these factors may interactively influence OP. The impact of consensus on performance is expected to vary with the external environment, demonstrating a higher effect in stable environments compared to dynamic ones, Specifically, when there is a high degree of consensus on strategic priorities that align well with the organizational environment, SA is likely to exert a more substantial positive effect on OP, as such priorities are more likely to be effectively executed,This alignment between competitive priorities and the business environment has been shown to enhance business performance ([Hutton & Eldridge, 2019](#)). A study by [Audretsch and Belitski \(2022\)](#) proposed a

framework for an SA model that supports the development of "strategic fit" across individual, organizational, and systemic levels, and "functional fit" between knowledge and entrepreneurial capital. SA is fundamental for strategic execution, as it enables the coordination of resources and capabilities to achieve strategic objectives, integrating the organization's strategy into its competitive arsenal.



**Figure1:** Theoretical Model with the Proposed Hypotheses

## METHODOLOGY

### Design, Data Analysis, and Measurements

The study employs a quantitative design to effectively achieve its research objectives and address the questions by providing precise statistical data. The analysis of the proposed research model was conducted using SPSS in combination with Structural Equation Modelling (SEM), with SEM specifically applied to evaluate the second-order constructs within the model. Adopting a confirmatory approach, the study aims to test and validate existing theories. The research involves a substantial sample size of 324 participants. To address common method variance, the Common Method Variance (CB-SEM) technique was utilized for the structural equation modelling. Multiple proposed conceptual models were employed to establish a comprehensive framework linking the research variables. The research instrument, assessed on a five-point Likert scale, includes three main components: SC, SA, and OP. For detailed information on each variable and the sources of the scales, refer to [Table 1](#).

**Table 1: The Research Scale Design**

Source	Number of Items	Basic Variables
Camelo etal.,2010	1-7	Strategic Consensus (SC)
Mohammed etal., 2020	8-14	Strategic Alignment (SA)
Camelo etal.,2010	15-19	Organizational Performance (OP)

### Sampling:

Three non-governmental universities—Al Rasheed University College, Imam Jaafar Al-Sadiq University, and Al-Farabi University College—located in Baghdad, were selected for this study. This choice is grounded in the following rationale: Universities play a crucial role in fostering interaction between individuals and their social environments, which is essential for skill development and innovation. Given the multifaceted social, economic, psychological, and cultural dimensions of higher education, it is evident that its impact extends beyond temporal and generational boundaries. This study aims to explore the relationships between SC and SA, and their effects on OP. The underlying hypothesis is that the presence of SC and SA contributes to improved OP. Consequently, understanding the interactive role of SA in this dynamic can elucidate key factors influencing OP and offer recommendations for enhancing SA to subsequently improve OP.

The study targeted top and mid-level management due to the cognitive demands of the questionnaire, which are challenging to address at the executive level. To ensure precision and reliability, the questionnaire was administered personally through human resources managers at each university. Participants were allowed to complete the questionnaire in their own offices. Although the questionnaire required approximately 8-15 minutes to complete, a one-week response period was provided to accommodate participants' schedules. To address participants' language preferences, the survey was offered in both English and Arabic. Out of the 120 questionnaires distributed, 105 were returned, yielding an 80.2% response rate. For detailed information on the research sample, please refer to [Table 2](#). Moreover, [Table 2](#) reveals that Al-Farabi University College had the highest representation among the participants, comprising 91% of the total sample. In contrast, Imam Jaafar Al-Sadiq University had the lowest representation, accounting for only 58% of the total participants.

**Table 2: The Research Sample**

University	Distributed Forms	Received Forms	%
Al Rasheed University College	35	28	80 %
Imam Jaafar Al-Sadiq University	31	18	58 %
the Al-Farabi University College	65	59	91%
<b>Total</b>	131	105	80 %

[Table 3](#) indicates that most participants were male, representing 63.8% of the sample. Additionally, approximately 42.9% of participants were aged between 41 and 50 years. Furthermore, around 36.2% of the participants had over 26 years of work experience.

**Table 3: Respondents' Demographic Characteristics**

Variables	Class	Frequency(s)	(%)
Social Gender	Male	67	63.8%
	Female	38	36.2%
	<b>Total</b>	105	100
Age / Years	≥30	2	1.9%
	31-40	18	17.1%
	41-50	45	42.9%
	51-60	23	21.9%
	61≥	17	16.2%
	<b>Total</b>	105	100
Educational Qualification	Ph.D.	49	46.6%
	Master's	43	41.0%
	Graduate Diploma	5	4.8%
	Bachelor's	8	7.6%
	<b>Total</b>	105	100
Experience Years	5≤	6	5.7%
	6-10	10	9.5%
	11-15	11	10.5%
	16-20	15	14.3%
	21-25	25	23.8%
	26≥	38	36.2%
	<b>Total</b>	105	100

### Reliability of the Research Instrument

To ensure the reliability of the research instrument, Cronbach's alpha was employed to assess the internal consistency of the scale items. Cronbach's alpha is a widely recognized method for evaluating the consistency of responses across multiple items and for determining the overall reliability of the study. While there are no rigid standards for acceptable values, an alpha value of 0.60 is generally considered satisfactory, especially in the fields of social and managerial sciences. Table 4 indicates that the reliability coefficients for all dimensions of the variables exceed 0.60, reflecting strong reliability. The overall reliability coefficient of 0.977 further confirms the high level of internal consistency within the questionnaire.

**Table 4: Test of Reliability and Consistency for the Main Variables using Cronbach's Alpha**

Variable	Variable Cronbach's Alpha
Strategic Consensus (SC) X	0.934
Strategic Alignment (SA) Z	0.958
Organizational Performance (OP) Y	0.949
Total Variables	0.977

## RESULTS

### Results of Presenting and Analysing Research Variables:

Table 5 presents the aggregated results from the sample participants' responses regarding the variables. This table includes the mean, standard deviation, variance, and relative importance of the main variables examined in the research. It is important to note that higher mean values indicate a greater level of agreement among the responses.

**Table 5: Mean, Standard Deviation, and Variance for the Total Main Research Variables**

N.	Item	Mean	Standard Deviation	Variance
1	Strategic Consensus (SC) X	3.43	0.66	19.54
2	Strategic Alignment (SA) Z	3.30	0.68	20.82
3	Organizational Performance (OP) Y	3.32	0.79	24.13

**Strategic Consensus (SC):** This variable attained the highest mean score, reflecting a strong consensus among participants. Furthermore, it exhibited low dispersion, with a degree of variability at 0.66, indicating a high degree of opinion alignment. The analysis confirms that SC has a positively and significantly noticeable impact on the organization under investigation.

**Strategic Alignment (SA):** This variable achieved the third highest mean score, reflecting a moderate level of agreement among participants. It also displayed relatively high homogeneity, with a dispersion degree of 0.68, indicating a reasonable level of consistency. The analysis reveals that SA, as a mediating variable, exerts a modest yet discernible effect on the organization under study.

**Organizational Performance (OP):** This variable achieved the second highest mean score, indicating a notable level of agreement among participants. However, it exhibited lower homogeneity, with a dispersion degree of 0.79, signifying a relatively higher level of variability. With a homogeneity value of 24.13, the results suggest that OP has a moderate impact on the organization under study.

### Simple Linear Regression Model:

#### Testing the First Main Hypothesis:

The hypothesis asserting that "no significant effect of SC on OP" was rejected based on the findings presented in Table 6. The computed F-value of 325.928, with a significance level of 0.000 and degrees of freedom (1, 151), exceeds the critical value

of 0.01, indicating a significant effect of SC on OP. The  $R^2$  value of 76.9% further confirms the substantial variance explained by SC in relation to OP. Additionally, the significance level for the parameter estimate ( $\alpha = 0.115$ ) was found to be non-significant, with a T-value of 0.586 and degrees of freedom (151), surpassing the critical value of 0.01. These results demonstrate a statistically significant relationship between SC and OP, thereby refuting the null hypothesis and supporting the alternative hypothesis.

**Table 6: The Effect of Strategic Consensus (X) on Organizational Performance (Y)**

Organizational Performance (Y)								
Independent Variable / Strategic Consensus (X)	Intercept (a)	T-Value	Slope (b)	T-Value	ValueR <sup>2</sup>	F-Value	Sig	The decision
Organizational Performance (Y)	0.115	0586	1.003	18.059	0.769	325.928	0.000	Sig
Computed F-value at a sig. level of 0.05 and degrees of freedom (1, 101)								
Computed t-value at a significance level of 0.05 and degrees of freedom (101)								

### Testing the Second Main Hypothesis:

The hypothesis asserting that "no significant effect of SC on SA" was rejected based on the results presented in Table 7. The F-value of 269.765, with a significance level of 0.000 and degrees of freedom (1, 151) less than the critical value of 0.01, indicates a significant effect of SC on SA. The  $R^2$  value of 72.9% further supports this relationship by accounting for a substantial proportion of the variance. Additionally, both the intercept value ( $\alpha = 0.302$ ) and the slope value ( $\beta = 0.875$ ) were significant, with a computed t-value of 16.427 also demonstrating significance. These findings validate the alternative hypothesis, showing a significant effect of SC on SA.

**Table7: The Effect of Strategic Consensus (X) on Strategic Alignment (Z)**

Strategic Alignment (Z)								
Independent Variable / Strategic Consensus (X)	Intercept (a)	T-Value	Slope (b)	T-Value	ValueR <sup>2</sup>	F-Value	Sig	The decision
Strategic Alignment (Z)	0.302	1.625	0.875	16.427	0.729	269.765	0.000	Sig
Computed F-value sig. level of 0.05 and degrees of freedom (1, 101) Computed t-value at a sig level of 0.05 and degrees of freedom (101)								

### Testing the Third Main Hypothesis:

The hypothesis proposing "no statistically significant effect of SA on OP" was rejected based on the results presented in Table 8. The F-value of 434.762, with degrees of freedom (1, 101), signifies a significant effect of SA on OP. The  $R^2$  value of 81.8% indicates a substantial relationship between SA and OP, with the remaining

18.2% attributed to factors not included in the model. The significance of both the intercept ( $\alpha = 0.008$ ) and the slope ( $\beta = 0.1016$ ), along with the computed t-value of 20.861, supports the statistical significance of SA's effect on OP. Consequently, the results affirm the alternative hypothesis, demonstrating a significant impact of SA on OP.

**Table 8: The Effect of SA (Z) on OP (Y)**

SA (Z)								
Dependent Variable\ Organizational Performance (Y)	Intercept (a)	T-Value	Slope (b)	T-Value	ValueR <sup>2</sup>	F-Value	Sig	The Decision
Strategic Alignment (Z)	0.008	0.029	1.016	20.861	0.818	434.762	0.000	Sig
Computed F-value sig. level of 0.05 and degrees of freedom (1, 101)								
Computed t-value at a significance level of 0.05 and degrees of freedom (101)								

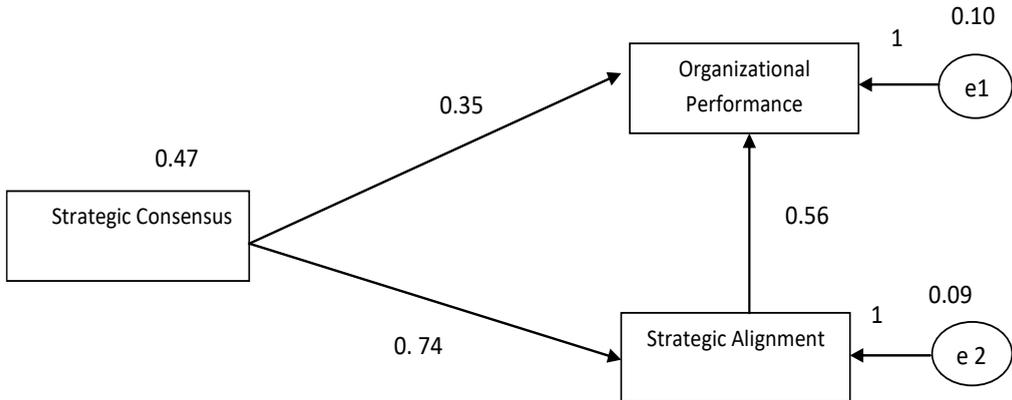
### Hypothesis Testing of the Fourth Main Effect

The analysis presented in [Table 9](#) and [Figure 2](#) evaluates the hypothesis concerning the mediating role of SA in the relationship between SC and OP. The direct effect of SC on SA is significant, with a coefficient of 0.740, indicating a substantial impact of SC on SA. This effect is confirmed by an error value of 0.036 (S.E) and a critical value of 20.386 (C.R), both significant at the 1% level. Likewise, the direct effect of SA on OP is significant, with a coefficient of 0.560, supported by an error value of 0.082 (S.E) and a critical value of 6.823 (C.R), also significant at the 1% level. The indirect effect, valued at 0.414, demonstrates SA's role in enhancing the effect of SC on OP. The total effect, incorporating both direct and indirect effects, is 0.764, surpassing the direct effect of 0.350, thereby indicating that SA amplifies the influence of SC on OP. The coefficient of determination (R<sup>2</sup>) reveals that 73.2% of the variance in SA is explained by SC, 75.9% of the variance in OP is explained by both SC and SA, and 68.6% of the variance in OP is explained by SC alone. These figures highlight the significant contribution of the variables in elucidating the outcomes.

**Table 9: The Direct and Indirect Effects of Strategic Consensus on Organizational Performance Mediated by Strategic Alignment.**

Research Variables	Indirect Effect	Direct Effect	Standard Error (S.E.)	Critical Value (C.R.)	Sig
Strategic Alignment Strategic Consensus	---	.740	.036	20.389	.000***
Organizational Performance Strategic Alignment	---	.560	.082	6.823	.000***
Consensus Organizational Performance Strategic	0.414	.350	.071	4.927	.000***

Figure 2 visually illustrates the direct effects of SC on both SA and OP, as well as the direct effect of SA on OP. Overall, the results substantiate the hypothesis that SA mediates the relationship between SC and OP, emphasizing SA's critical role in enhancing the impact of SC on organizational performance.



**Figure 2:** The direct effects of SC on both SA and OP, as well as the direct effect of SA on OP.

## THE DISCUSSION AND RESULTS

The research reveals a direct impact of strategic consensus on organizational performance, along with an indirect effect mediated through strategic alignment at the studied colleges. The significance of strategic consensus is evaluated by examining its influence across all organizational levels and its linkage to organizational performance. It is crucial to align strategic content with the management approach implemented at various levels within universities, ensuring a clear and comprehensible vision, goals, and objectives devoid of ambiguity to achieve institutional aims. Understanding the strategy adopted within universities by their members is essential, as strategic consensus arises from the strategic decision-making process and fosters commitment, thereby contributing to the attainment and enhancement of university objectives. Strategic consensus facilitates the development of trust, the exchange of information, and the accumulation of capabilities and competencies. It also helps in understanding the common environment shared among top management team members. Regarding organizational performance, strategic consensus represents a novel approach or method, serving as a critical condition for achieving a sustainable competitive advantage and significantly affecting employee performance. It acts as a primary driver of business performance and is intrinsically linked to university operations. Furthermore, the findings on strategic alignment suggest that the team can craft meaningful visions and play a pivotal role in member interaction. Certain central

team members are instrumental in fostering trust within the team, leading universities to adopt new communication strategies with team management. Consequently, team managers can enhance performance and develop new tools and practices to improve employee performance within universities. The findings yield several notable implications. First, strategic consensus emerged as a significant and novel intervening variable influencing the relationship between alignment and performance. These results underscore the importance of focusing on strategic consensus, specifically the "quality" of decisions and the level of agreement within the group regarding those decisions. Second, the research sheds light on the inconsistencies observed in strategic consensus studies, where decision-makers often express agreement on well-aligned priorities but exhibit substantial internal disagreement. The level of OP could be enhanced when a strong consensus is established around these priorities. Decision-makers with access to relevant data are likely better equipped to assess the implications of strategic decisions accurately. They may prefer to form strategic alliances rather than pursuing broader consensus on strategic priorities within a larger group. Third, the findings highlight the need for universities to differentiate between the strategic formulation process, where early consensus may foster collective thinking, and the strategic implementation process, where consensus is crucial for coordinating and collaborating to achieve strategic objectives. It is important to interpret these results with the understanding that consensus should be viewed as an outcome of the decision-making process rather than merely a characteristic of the group dynamics.

Based on the findings, the alignment between the organizational environment and strategic priorities is crucial for enhancing organizational performance, rather than the inherent dynamics or unpredictability of the environment itself. In highly dynamic environments, achieving SA can be particularly challenging due to constant changes, which necessitate the continual formulation of new strategic priorities. In such contexts, a rigid consensus among decision-makers may lead to inflexibility and impede future strategic adjustments, potentially diminishing strategic alignment over time. Future research should explore the dynamic nature of the strategic alignment process, the moderate impact of strategic consensus, and their effects on performance. It is also important to acknowledge three primary limitations of this study. First, as a cross-sectional study, it relies on theoretical rather than experimental evidence to support causal relationships. While the assumption is that consensus and alignment improve performance, it is also possible that higher-performing institutions facilitate the prioritization of significant goals and enhance alignment. Second, the academic context may limit the generalizability of the results. Although universities are increasingly adopting business-like practices, which may render the findings relevant to other knowledge-based settings, there may still be limitations in applying these findings universally. Third, while the study focuses on strategic priorities as indicators of group consensus, agreement on strategic means may also impact execution

efficiency, albeit potentially less visibly. Future research should address these limitations by investigating the interactive effects of consensus on both strategic priorities and methods, and evaluating how consensus impacts strategic means and OP.

This section also provides several recommendations, emphasizing the need to extend the study of the same variables to different application samples and compare the findings. There is a dearth of management research exploring strategic consensus from a critical perspective, particularly concerning leadership behaviour, despite the significant impact of negative leadership on university settings. It is crucial to foster work relationships grounded in teamwork, interaction, integration, and cooperation to optimize organizational performance in universities and cultivate a positive work environment. This approach is expected to enhance organizational performance within academic institutions. Looking forward, strategic consensus is anticipated to become a pivotal leadership model due to increasing demands that exceed the capabilities of any single individual. Therefore, complex decisions that leverage strategic consensus to achieve competitive advantages over rival universities must be prioritized. Enhancing the capabilities and resources of universities within the research sample is essential for supporting their organizational performance, through creating a secure working environment from a strategic standpoint and across all administrative levels, thereby promoting progress and development in academic education. Finally, it is recommended to develop training programs aimed at improving employee performance and enhancing opportunities for success and advancement.

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