The Effect of Strategic Management on Organizational Performance: The Mediating Role of Knowledge Sharing in Private Universities in Kuwait

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Abstract. This study aims to examine the effect of strategic management on organizational performance by mediating the role of knowledge sharing in private universities in Kuwait. The survey included 296 employees working in three private universities in Kuwait namely Gulf University for Science and Technology, Arab Open University - Kuwait, and the American University of the Middle East. The study used SPSS and PLS-SEM in order to test the hypotheses of the study. The results indicated that strategic management and knowledge sharing has a positive direct effect on organizational performance. Meanwhile, the results indicated that strategic management has a positive direct effect on knowledge sharing. Moreover, the results indicated that knowledge sharing mediated the effect between strategic management and organizational performance. This study recommended replicated context of this study in the Kuwait service industry which constitutes a significant proportion of businesses in the country. This will provide further evidence on the relationship between strategic management and organizational performance in Kuwait.

Keywords: Strategic management, Organizational performance, Knowledge sharing

1. Introduction

One of the top significant variables in management research and indicator of a successful organization is organizational performance. Organizational performance is the most important issue of profit and non-profit organizations (Singh & Kassa, 2016). The performance literally means the quality of work, so organizational performance is a comprehensive structure that refers to the organizational operation (Sadeghi, Ahmadi & Yazdi, 2016). The objective of any organization is not only to survive but also to sustain its existence by improving performance, to meet the needs of the highly competitive markets, thus organizations must continually increase improving performance (Arslan & Staub 2013). Organizational performance has been used widely as the most important criterion in evaluating organizations. However, researchers often pay little attention to what performance is and how it is measured (Caseiro & Coelho, 2019; Soltani, Zareie, Milani & Navimipour, 2018).

Osborne (1992) explained a range of good reasons for measuring performance in the public sector: (1) to improve the delivery of public services, (2) what gets measured, gets done, (3) to detect errors, (4) to recognize success, (5) to allow for organizational learning and improvement, (6) to mobilize support, (7) to improve accountability for budget expenditures, and (8) to improve public communication. Behn (2003) also similarly pointed out eight different purposes that public managers have for measuring performance evaluate, control, budget, motivate, promote, celebrate, learn, and improve. Although there are several reasons for assessing organizational performance as mentioned above, selecting the outcomes that should be tracked is essentially a judgment call (Hatry, 1999). Performance measures are objective, quantitative indicators of various aspects of the performance of public programs or
agencies. Therefore, different kinds of performance measures are defined to track particular dimensions of performance, such as effectiveness, operating efficiency, productivity, service quality, customer satisfaction, and cost-effectiveness (Poister, 2010).

Researchers have worked to improve the strategies used as necessary to identify and exploit strategic capabilities (Grafton, Lillis, & Widener, 2010). Strategies can be judged by many sectors according to business conditions, which leads to many different interpretations of "successful performance." It can be said that each strategy viewpoint may be unique. Moreover, each sector has a unique set of circumstances, which makes performance measurement a difficult process at times (Monday, Akinola, Ologbenla & Aladeraji, 2015). Understanding the factors that affect the organization's performance is very important for managers because it is important to take appropriate steps at the beginning (Arslan & Staub 2013). Thus, this study aims to examine the impact of strategic management on organizational performance, and examine the mediating role of Knowledge sharing in Private Universities in Kuwait.

2. Literature Review

2.1 Strategic Management

Strategic management is the process whereby managers establish an organization’s long-term direction, set specific performance objectives, develop strategies to achieve these objectives in the light of all the relevant internal and external circumstances, and undertake to execute the chosen action plans (Monday, Akinola, Ologbenla & Aladeraji, 2015). Moreover, strategic management is a set of managerial decisions and actions that result in the formulation and implementation of a strategy designed to achieve a company’s objectives (Wheelen & Hunger, 2011).

One of the most important pillars that have major implications for the organization's structure, activities, investments, relations with the market, and performance is the strategy (Cheng & Huizingh, 2014). Having a strategy helps organizations find solutions to problems, create new capabilities, and improve business performance by allowing organizations and managers to pool specific resources, identify opportunities to provide valuable products and services, and embrace these products and services to obtain the highest profits (Avci, Madanoglu & Okumus, 2011). Organizations are required to adopt the best strategy based on coordinating their approaches in creating specific jobs by relying on their resources, competencies, and capabilities in an attempt to achieve compatibility with their internal and external environments and thus achieve sustainable competitive advantage and improve work efficiency in order to achieve these goals (Ferraresi, Quandt, Santos & Frega, 2012).

Strategic orientation is one of the most important pillars of strategic management. Strategic orientation is the organization’s operational and marketing position within entrepreneurship, which would achieve its goals in the markets by controlling potential risks, long-term investment, in addition to innovation, and developing an approach based on a more successful future for the organization (Liu & Fu, 2011). Strategic orientation has received widespread attention from management, marketing, and entrepreneurship scholars. However, there is no universally accepted definition of strategic orientation. For example, strategic orientation refers to the general or permanent orientation of thought, inclination, or interest in adopting ideas, visions, theories, and internal and external work mechanisms defined by the organization that is considered the most appropriate and appropriate to the nature of its work and the most capable of achieving its goals (Kumar, Boesso, Favotto & Menini, 2012).
House, Dorfman, Javidan, Hanges, and Luque (2013) argue that strategic orientation is reflected in the corporate culture and acts as a supporter and catalyst for organizational practices and decisions associated with allocating available resources and exploiting opportunities to search for alternative resources. In general, strategic orientation is seen as principles that direct and influence the activities of the organization and generate behaviors aimed at ensuring the proper functioning of the organization and directing its activities (Chatzoglou, Vraimak, Komiou, Polychrou & Diamantidis, 2011). The idea of strategic orientation was one of the concerns of Morrill (2010) as he asserted that strategic orientation is never isolated from any aspect of the organization. The concept of strategic orientation links the customer, the competitor, and the production mechanism (the product), and the three elements unite together in order to define a suitable operating environment in the organization (Van & Peltokorpi, 2010).

Dahri, Amin, and Waseem (2019) examined the impact of strategy on organizational performance through the mediating role of knowledge management for banks in Karachi, Pakistan. This study used the questionnaire as a tool to collect data. A total of (156) questionnaires were distributed to managers of bank branches in Karachi, and simple random sampling was applied to collect data from the respondents. (129) valid questionnaires were received for analysis. The data were analyzed by using the statistical program (PLS-SEM) in order to test the hypotheses and obtain the results. The results revealed that strategic leadership has a significant impact on knowledge management, and similar results were found for knowledge management's effect on organizational performance as well as mediating the role of knowledge management. Strategic leadership seeks to allocate knowledge and use it in the best possible way to achieve organizational performance. Moreover, knowledge management positively affects the acquisition, storage, restructuring, and utilization of collected knowledge, thus helping to achieve organizational goals.

Syahdan, Djaelani and Mahdi (2020) examined the relationship between strategic orientation (market orientation, entrepreneurial orientation, learning orientation, and technological orientation) and the performance of SMEs in Indonesia through the mediating role of financial access. Data were collected through a questionnaire distributed to small and medium-sized enterprises in Indonesia. The data were analyzed by using the statistical program (PLS-SEM) in order to test the hypotheses and obtain the results. The results of the study show that there is a positive relationship between the strategic orientation (orientation towards the market, orientation towards entrepreneurs, orientation towards learning, and technological orientation) and the performance of small and medium-sized companies in Indonesia, in addition to the existence of an effect of financial access as a mediating variable of the relationship between the strategic orientation (orientation towards the market). Entrepreneurial orientation, learning orientation, technology orientation) and the performance of SMEs in Indonesia. The study also concluded that it is necessary to define strategic directions that may reflect administrative activities or processes, such as marketing, innovation, risk-taking, technology, and the culture of learning, that are used by SMEs and that may affect their performance.

Yang, Liu, and Li (2019) investigate the effect of strategic orientations (entrepreneurial trend and market orientation) on knowledge acquisition through the modified role of control mechanisms used in Sino-foreign alliance companies. This study used a questionnaire as a tool to collect data. A random sample of 300 Chinese companies operating in Chinese-foreign alliance relations with foreign companies was selected using a list of companies provided by the economic trade committees in China. 198 valid questionnaires were received for analysis.
The data were analyzed through the use of the statistical program (PLS-SEM) in order to test the hypotheses and obtain the results. The results indicate that there is a positive relationship between strategic orientations (pioneering and market orientation) and knowledge acquisition in Chinese-foreign alliance companies, as the alliance companies with an entrepreneurial orientation have a moderate level of contracting and a high level of trust are the two most efficient use of control mechanisms to acquire knowledge in companies Chinese. As for market-oriented alliance companies, they should use control mechanisms at a moderate level to maximize the acquisition of knowledge from their foreign partners.

Majid, Yasir, Yousaf & Qudratullah (2019) presented an experimental model related to the strategic performance of the hotel sector in Pakistan. This model focuses on the role of network capacity in determining strategic performance through the mediating role of structural flexibility. This study used the questionnaire as a tool for data collection. A total of (279) questionnaires valid for analysis were obtained from the employees at the administrative level of hotels in Pakistan. The data were analyzed by using the statistical program (PLS-SEM) in order to test the hypotheses and obtain the results. The results of this study showed that network capacity positively affects strategic performance, and the mediating role of structural flexibility in determining the relationship between network capacity and strategic performance was emphasized.

2.2 Organizational Performance
Performance is converting inputs to outputs to achieve certain results; in terms of content, the performance relates to the relationship between the minimum and the cost-effective, between the effective cost and the output, and between output and achieved outcome (Chien, 2004; Zamanan et al., 2020). Organizational performance is the extent to which the requirements of stakeholders are met and how the resources of the organization are used economically when providing a certain level of customer satisfaction (Naoum, 2001). Henry (2004) summarizes five models that reflect the richness of organization performance: (1) the target model, measures effectiveness from achieving goals and objectives; (2) system model, focus organization system measurement from inputs, convert the process to outputs; (3) the strategic departments model is the satisfaction of external and internal stakeholders to ensure effectiveness; (4) the model of competing values extends to the organization of past models and methods as a set of competing values; and (5) Ineffectiveness model assumes that it is more reliable to identify problems and errors in institutions.

Abusweilem and Abualoush (2019) examined the relationship between knowledge management processes including knowledge generation, knowledge sharing, knowledge use, and business intelligence on the performance of housing bank branches in Irbid, Jordan. The study population consists of all the Housing Bank for Trade branches operating in Irbid, with 15 branches. The number of employees in these branches reached 181 employees, and the study sample consisted of all employees at the administrative and operational levels. This study used the questionnaire as a tool to collect data. (145) questionnaires were distributed to employees at the administrative and operational levels in the Housing Bank branches in Irbid, and (126) questionnaires valid for analysis were returned. The data were analyzed by using the statistical program (SPSS) in order to test the hypotheses and obtain the results. The results indicate a positive relationship between knowledge management processes (knowledge generation, knowledge sharing, and knowledge use) and the performance of the housing bank branches. Moreover, business intelligence had a positive impact on the performance of the Housing Bank branches in Irbid, Jordan.
Mohammed and Knapkova (2016) examined the relationship between overall risk management and company performance. The pilot study is based on the 15 companies listed on the Prague Stock Exchange, 12 of which are included in this study. Six-year annual company reports were collected in order to investigate the relationship between overall risk management and company performance. The data used in this study was extracted from the financial statements and notes of the companies from 2009 to 2014. Moreover, the market data of the companies were also included and the companies with incomplete records were excluded from the study. The result of the regression analysis shows a positive and significant relationship between overall risk management and the company's performance. Consequently, the result also shows positive results in performance in companies that have a higher investment in intellectual capital.

Alawattegama (2018) examined the effect of adopting risk management in projects on the organizations' performance in Sri Lanka. The extent to which project risk management depends on an evaluation based on eight functions to manage the risks of recognized organizations in an integrated framework for risk management and the use of return on equity as a proxy for measuring the company's performance. This study found that risk management in the internal enterprise supportive environment, setting risk-aligned objectives, identifying events, and responding to risks have a positive impact on the company's performance. However, none of these effects had a significant statistical effect. Surprisingly, empirical evidence reveals that risk assessment and monitoring of activities have a negative impact on the company's performance. Information and communication monitoring functions have a significant impact on the performance of the company. However, the monitoring function shows a negative impact on the company's performance. This negative impact is believed to be attributable to the increased costs of monitoring activities for preparing diversified businesses. This empirical evidence leads the researcher to conclude that, with the exception of communications and monitoring, the adoption of ERM did not have a significant impact on the performance of the company. These results contradict the results of previous researchers.

Caseiro and Coelho (2019) examined the effect of business intelligence on corporate performance, and the indirect effects, through networking and innovation. The research is based on a sample of 228 startups from different European countries. The results of this study indicate that there are positive effects between the different variables and we can conclude that business intelligence capabilities have an impact on network learning, innovation, and corporate performance. From these results, it can be argued that some attention should be given to business intelligence in startups, given the effect it may have on corporate performance. Also, learning to a network through business intelligence is important and has a positive effect on performance. Often startups struggle with resource shortages and the team faces multiple demands of attention and proposing business intelligence practices appears to be a new challenge for overcoming resource shortages.

2.3 Knowledge Sharing
Knowledge sharing is a voluntary process of transferring or disseminating knowledge from one person to another or group to another in the organization that includes information related to business performance, reaching goals, improving the level of outputs, and raising the level of organizational performance (Goh & Sandhu, 2013). Moreover, knowledge sharing is transferred to individuals working in a single facility, whether they are individuals or groups. The last of this knowledge is to help people perform at their best performance (Garcia-Perez
Knowledge sharing is the exchange of knowledge between multiple entities to meet the critical issues of organizational adaptation, survival, and efficiency in the face of increasingly frequent environmental change (Müller & Stocker, 2011).

Knowledge sharing refers not only to codified information, such as product specifications but also beliefs and experiences. From this perspective, the creation, management, and sharing of knowledge is a matter of mastering renewal and change in all activities within an organization or within a network of organizations (Kanaan & Gharibeh, 2013; Aburumman, Salleh, Omar & Abadi, 2020). The idea of knowledge sharing as one of the most important parts of knowledge management refers to the disclosure of information and experiences in order to contribute to the continuity of knowledge within the organization so that mutual trust is created among the employees on the one hand and they are ready to communicate, consult and exchange information on the other hand (Goh & Sandhu, 2013). Chang, Hsu, Shiau, & Tsai (2017) believes that leaders in the organization are considered one of the most important elements influencing the idea of knowledge sharing as they promote the exchange of knowledge and experiences and influence working individuals through the link between knowledge sharing and the ever-changing business environment. In addition, the role of leaders appears in an integrated manner through their direct and long interaction with individuals working in the organization, thus facilitating the task of employees' awareness of the dimensions of the goals and visions adopted in the organization and the role of knowledge sharing in facilitating access to them (Kanaan & Gharibeh, 2013).

Paulin and Suneson (2015) pointed out the idea that knowledge sharing increases the percentage of customer satisfaction, meaning that the organization that shares its knowledge and experience among its members is usually able to fulfill its obligations to its customers and thus raise the percentage of customer satisfaction by reducing the amount of time required to provide a service or product. On the other hand, Paulin and Suneson (2015) indicated also that knowledge sharing has many positive strategic effects on the organization, as it works to identify the basic and important knowledge, experiences and skills of the organization that must be used and managed properly and through Knowledge exchange organizations can access explicit and implicit knowledge and minimize losses. Moreover, Mandasari and Widiartanto (2016) found that sharing knowledge is strategically important because it is an effective way to make scarce expertise widely available to the entire organization through forums, training, presentations, and research papers.

Hussain, Abbas, Lei, Haider, and Akram (2017) examined the impact of reciprocal leadership in achieving organizational creativity through knowledge-sharing behavior between employees and leaders. The study highlights conditional reward as it does for organizational knowledge sharing creativity in the organization because many studies have been conducted to encourage knowledge sharing through the conditional reward system. But this study explores whether a system of conditioned rewards through transactional leadership creates organizational creativity. Therefore, data were collected from the telecom sector in Pakistan. A sample of 360 persons was withdrawn to distribute the study questionnaire to them. 308 questionnaires were retrieved, only 300 of which are valid for analysis. The results showed that reciprocal leadership and knowledge sharing have a positive relationship with creativity, and knowledge sharing is the mediating role between reciprocal leadership and creativity. Moreover, Elrehail, Alzghoul, Saydam, Alnajdawi, and Al'Ararah (2016) investigated the role of a knowledge-sharing mechanism in developing a pricing strategy, how knowledge-sharing can improve the pricing strategy process, and what factors influence this development. A questionnaire was designed and distributed via email to a sample of 100
marketing executives. It has been concluded that knowledge sharing can improve the development of pricing strategy within the organization, and the organization should facilitate the knowledge sharing process to obtain the best competitive advantage and improve its profitability.

Chang, Hsu, Shiau, and Tsai (2017) examined the effects of individual and country cultural values on knowledge sharing. Where the triggers of knowledge-sharing intentions are studied on the basis of the theory of social exchange and the merging of individual / collective and uncertainty avoidance as modified variables. The study sample included 394 US and Chinese employees, and the results showed that the rewards are closely related to knowledge-sharing intentions for Chinese employees, not US employees. The subjective effects of knowledge and knowledge greatly influence the intentions of knowledge sharing in both countries. It has also been shown that the cultural values of the individual and the country play important roles in knowledge sharing. In the United States, individualism/collectivity has been found to reduce the relationship between rewards and knowledge-sharing intentions. Whereas in China, individualism/collectivism was found to smooth out the relationship between reputation and knowledge-sharing intentions, whereas uncertainty avoidance was used to relax the relationship between knowledge self-efficacy and knowledge-sharing intentions.

Tams, Dulipovici, Thatcher, Craig, and Srite (2020) examined the impact of knowledge sharing on innovation through the mediating role of electronic knowledge repositories. This study used a questionnaire as a data collection tool, collecting data from working professionals who had regular access to electronic knowledge repositories for at least three years in several countries. A total of 233 valid questionnaires were received for analysis. The data were analyzed by using the statistical program (PLS-SEM) in order to test the hypotheses and obtain the results. The results of the study showed that there is a statistical significance for knowledge sharing and electronic knowledge repositories for innovation. The most important recommendations of the study were to encourage the use of knowledge sharing and knowledge repositories that emphasize the importance of human values for the success of knowledge management initiatives.

Obeidat, Abdallah, Aqqad, Akhoershiedah, and Maqableh (2017) examined the effects that exist between intellectual capital and knowledge sharing, and between organizational performance. Data were collected from 356 employees working in industrial companies operating in Jordan. The results of the analysis revealed that intellectual capital has a positive effect on organizational performance and knowledge sharing. The results also showed that knowledge sharing has a positive effect on organizational performance. Finally, knowledge sharing has had a positive effect on the relationship between intellectual capital and organizational performance. Moreover, Nirawati and Prayogo (2019) examined the impact of the ability to share knowledge and e-marketing on marketing performance. Where the quantitative approach was followed in this study. The study population included students who had products marketed in business incubators. The questionnaire was submitted to an intended sample of 101 people at the "veteran" UPN University of Java Timor in Indonesia. The results of the study show that knowledge sharing cannot affect the ability of e-marketing, knowledge sharing can affect marketing performance, and that e-marketing ability cannot affect marketing performance. Based on the previous discussion, the next hypotheses have been developed as follow:

**Hypothesis 1:** There is a positive effect of strategic management on organizational performance in Private Universities in Kuwait.
Hypothesis 2: There is a positive effect of strategic management on knowledge sharing in Private Universities in Kuwait.

Hypothesis 3: There is a positive effect of knowledge sharing on organizational performance in Private Universities in Kuwait.

Hypothesis 4: Knowledge sharing mediate the effect between strategic management and organizational performance in Private Universities in Kuwait.

Therefore, this study aims to examine the impact of strategic management on organizational performance, and examine the mediating role of Knowledge sharing in Private Universities in Kuwait. The study model is shown in Figure 1.

Figure 1: Study model

3. Methodology
The current study used a quantitative approach based on a survey questionnaire. The close-structured questionnaire was adopted from previous studies. The survey included employees in three private universities in Kuwait namely Gulf University for Science and Technology, Arab Open University - Kuwait, and the American University of the Middle East. This study sample size was 296 employees are working in the previously mentioned universities. Moreover, convenience sampling was used as a strategy for data collection because that convenience sampling inexpensive and usually requires less time (Salleh, Omar, A burumman, Mat& Almhairat, 2020). The total number of responses was 259, which represents 87.5% of the number of distributed questionnaires, and a total of 37 questionnaires were not received.

4. Data Analysis
Data analysis of this study included two main aspects are assessment of measurement model and structural model using SmartPLS (3.3.3). Assessment of measurement model included convergent validity and discriminant validity. Table 1 shows the results of convergent validity, where all the items have loadings ranged from 0.735 to 0.902. Regarding Cronbach's alpha and composite reliability, all variables achieved values more than 0.7. Meanwhile, all variables achieved values more than 0.5 regarding average variance extracted. Thus, all variables achieved values greater than the proposed threshold value by Hair et al. (2016).
### Table 1: Convergent Validity

<table>
<thead>
<tr>
<th>Variable</th>
<th>Items</th>
<th>Loadings</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Management</td>
<td>SM1</td>
<td>0.807</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>SM2</td>
<td>0.835</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SM3</td>
<td>0.735</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SM4</td>
<td>0.886</td>
<td></td>
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<td></td>
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<tr>
<td></td>
<td>SM5</td>
<td>0.902</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>SM6</td>
<td>0.803</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>SM7</td>
<td>0.879</td>
<td></td>
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<tr>
<td></td>
<td>SM8</td>
<td>0.850</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Knowledge Sharing</td>
<td>KS1</td>
<td>0.836</td>
<td>0.884</td>
<td>0.915</td>
<td>0.684</td>
</tr>
<tr>
<td></td>
<td>KS2</td>
<td>0.837</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>KS3</td>
<td>0.756</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>KS4</td>
<td>0.867</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>KS5</td>
<td>0.836</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational Performance</td>
<td>OP1</td>
<td>0.791</td>
<td>0.971</td>
<td>0.973</td>
<td>0.709</td>
</tr>
<tr>
<td></td>
<td>OP2</td>
<td>0.830</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>OP3</td>
<td>0.879</td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>OP4</td>
<td>0.813</td>
<td></td>
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<tr>
<td></td>
<td>OP5</td>
<td>0.819</td>
<td></td>
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<td></td>
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<tr>
<td></td>
<td>OP6</td>
<td>0.877</td>
<td></td>
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<tr>
<td></td>
<td>OP7</td>
<td>0.790</td>
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<tr>
<td></td>
<td>OP8</td>
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<td>OP9</td>
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<td>OP10</td>
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<td></td>
<td>OP11</td>
<td>0.870</td>
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<tr>
<td></td>
<td>OP12</td>
<td>0.830</td>
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<tr>
<td></td>
<td>OP13</td>
<td>0.745</td>
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<tr>
<td></td>
<td>OP14</td>
<td>0.891</td>
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<tr>
<td></td>
<td>OP15</td>
<td>0.882</td>
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</tbody>
</table>

Discriminant validity was investigated based on Heterotrait-Monotrait Ratio (HTMT). Table 2 shows HTMT values were all smaller than 1 for each construct and were within the range of 0.856 to 0.858 (Hair et al., 2016).

### Table 2: Discriminant Validity Based on HTMT

<table>
<thead>
<tr>
<th></th>
<th>Strategic Management</th>
<th>Knowledge Sharing</th>
<th>Organizational Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Knowledge Sharing</td>
<td>0.857</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational Performance</td>
<td>0.858</td>
<td>0.856</td>
<td></td>
</tr>
</tbody>
</table>

In order to the hypotheses testing, the path coefficients were created using the PLS algorithm embedded with SmartPLS (3.3.2) as shown in Figure 2.
After creating the path coefficients, the next step was to test the P-Values and T-Values for each path coefficient in order to conclude whether the hypotheses are statistically significant or insignificant using bootstrapping techniques embedded with SmartPLS (3.3.3). Table 3 shown the hypotheses test.

### Table 3: Hypotheses testing

<table>
<thead>
<tr>
<th>No.</th>
<th>Hypotheses</th>
<th>Path Coefficient</th>
<th>T-Value</th>
<th>P-value</th>
<th>Confidence Interval</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>95% LL</td>
<td>95% UL</td>
</tr>
<tr>
<td>H1</td>
<td>SM→OP</td>
<td>0.510</td>
<td>3.043</td>
<td>0.000</td>
<td>0.147</td>
<td>0.800</td>
</tr>
<tr>
<td>H2</td>
<td>SM→KS</td>
<td>0.785</td>
<td>16.341</td>
<td>0.002</td>
<td>0.675</td>
<td>0.867</td>
</tr>
<tr>
<td>H3</td>
<td>KS→OP</td>
<td>0.401</td>
<td>2.362</td>
<td>0.018</td>
<td>0.102</td>
<td>0.767</td>
</tr>
</tbody>
</table>

Note: ***: p<0.001, **: p<0.01, *: p<0.05

As shown in Table 3, strategic management has a positive direct effect on organizational performance (Path Coefficient = 0.510; T-Value = 3.043; P-Value = 0.000; 95% LL= 0.147; 95% UL= 0.800), therefore H1 was supported. In contrast, strategic management has a positive direct effect on knowledge sharing (Path Coefficient = 0.785; T-Value = 16.341; P-Value = 0.002; 95% LL= 0.675; 95% UL= 0.867), therefore H2 was supported. Moreover, knowledge sharing has a positive direct effect on organizational performance (Path Coefficient = 0.401; T-Value = 2.362; P-Value = 0.018; 95% LL= 0.102; 95% UL= 0.767), therefore H3 was supported. Regarding the mediating effect of knowledge sharing, as shown in Table 4, knowledge sharing mediated the effect between strategic management and organizational performance (Indirect Effect = 0.315; T-Value = 2.176; P-Value = 0.030; 95% LL= 0.079; 95% UL= 0.648), therefore H4 was supported.

### Table 4: Testing the mediating effect of knowledge sharing

<table>
<thead>
<tr>
<th>No.</th>
<th>Hypothesis</th>
<th>Indirect Effect</th>
<th>T-Value</th>
<th>P-value</th>
<th>Confidence Interval</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>95% LL</td>
<td>95% UL</td>
</tr>
<tr>
<td>H4</td>
<td>SM→KS→OP</td>
<td>0.315</td>
<td>2.176</td>
<td>0.030</td>
<td>0.079</td>
<td>0.648</td>
</tr>
</tbody>
</table>

Note: *: p<0.05
5. Conclusion
The current study aimed to examine the effect of strategic management on organizational performance by mediating role of knowledge sharing in private universities in Kuwait. The results indicated that strategic management has a positive direct effect on organizational performance. This result was consistent with those reported by many studies (e.g. Andersén, 2011; Kharub, Mor & Sharma, 2019; Monday, Akinola, Ologbenla & Aladeraji, 2015). Meanwhile, the results indicated that strategic management has a positive direct effect on knowledge sharing. This result was consistent with those reported by many studies (e.g. Pai, 2006; Paroutis & Al Saleh, 2009; Vătămănescu, Cegarra-Navarro, Andrei, Dincă & Alexandru, 2020). In addition, the results indicated also that knowledge sharing has a positive direct effect on organizational performance. This result was consistent with those reported by many studies (e.g. Crhová & Matošková, 2019; Kucharska & Wildowicz-Giegiel, 2017; Singh, Gupta, Busso & Kamboj, 2019). Regarding the mediating variable, the results indicated that knowledge sharing mediated the effect between strategic management and organizational performance. Based on the previous results, the current study recommended that universities in Kuwait should give strategic management process the topmost priority as it is a critical success factor for performance. Moreover, universities in Kuwait should intensify their efforts to promote the learning of strategic management and knowledge sharing. Regarding future studies, the current study recommended replicated context of this study in the Kuwait service industry which constitutes a significant proportion of businesses in the country. This will provide further evidence on the relationship between strategic management and organizational performance in Kuwait.

References


