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THE ANTECEDENTS OF ORGANIZATIONAL AGILITY: ORGANIZATIONAL STRUCTURE, DYNAMIC CAPABILITIES AND CUSTOMER ORIENTATION

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ABSTRACT

This study aims to investigate some antecedents of organizational agility. In the literature, it is seen that studies suggest that some organizational factors provide to maintain organizational agility. Therefore, organizational structure, dynamic capabilities and customer orientation are considered as predictors of organizational agility within the scope of the study. For this purpose, the data which were collected from 176 employees in the retailing industry by the survey method were analyzed using the structural equation modeling. The results of the study indicate that two dimension of dynamic capabilities which are addressed as integration and coordinating have a positive and significant effect on organizational agility. However, organic and mechanic organizational structures have no significant effect on organizational agility. In addition, customer orientation levels have a positive and significant effect on organizational agility.

Keywords: Organization Agility, Dynamic Capabilities, Organizational Structure, Customer Orientation
JEL Codes: M20, J20, D23

ÖRGÜTSEL ATİKLİĞİN ÖNCÜLLERİ: ÖRGÜT YAPISI, DİNAMİK YETENEKLER VE MÜŞTERİ ODAKLILIK

ÖZET

Bu çalışmada, örgütsel atikliğin bazı öncüllerinin incelenmesi amaçlanmıştır. Literatürdeki araştırmalar bazı örgütsel faktörlerin örgütsel atikliğin yapılandırılmasına katkı sağladığını ileri sürmektedir. Bu doğrultuda, çalışma kapsamında örgütsel atikliğin öncülleri olarak dinamik yetenekler, örgüt yapıları ve müşteri odaklılık ele alınmıştır. Araştırma amacı doğrultusunda perakendecilik sektöründe çalışan 176 işgörenden anket vasıtası ile elde edilen veriler yapısal eşitlik modeliyle analiz edilmiştir. Araştırma sonuçları, dinamik yeteneklerin bütünleştirme ve koordinasyon boyutlarının örgütsel atiklik düzeyini anlamlı ve pozitif yönde etkilediğini göstermektedir. Bununla birlikte, organik ve mekanik örgüt yapılarının örgütsel atiklik üzerinde herhangi anlamlı bir etkisinin olmadığı görülmüştür. Ayrıca, müşteri odaklılığın örgütsel atikliği pozitif yönde etkilediği belirlenmiştir.

Keywords: Örgütsel atiklik, organizasyon yapısı, müşteri odaklık
JEL Kodları: M20, J20, D23

1. INTRODUCTION

In modern working area, organizations need to have compatible strategies due to cope with rapidly changing environment (Jahangiri and Khalkhali, 2014: 869). Since the beginning of the 21st century, it is seen that organizations faced considerable great changes in business world. These unpredictable changes and competitive world of today, organizations must have different competitive features to compete (Nafei, 2016: 296). In other words, complicated technological advances, shortened product life cycles, various customer requirements, and increased demands required organizations to adapt to changing marketplace conditions. Due to the pervasive changes in marketplace conditions, organizations need to use some several competitive techniques such as cost efficiency, quality, flexibility, responsiveness, alertness and etc. as to remain competitive in business world. One of these techniques regarded as an "agility" which is necessary ingredient for improving competitiveness and mastering unpredictable marketplace conditions (Swafford et al., 2006: 170-171). Agility considered as an ability of surviving and prospering in a competitive, dynamic and unpredictable environment. However, agility can be defined as swiftness and quick response of organizations to the changes that encounter in the working environment in order to gain success. In addition to this, organizational agility is a proactive management strategy that aims to rapid response to changing markets, maintaining the organization's resources effectively and achieving the desires of customers in a timely manner (Nafei, 2016: 273). Therefore, organizational agility is an essential strategy that necessary for organizations to quickly manage their knowledge when responding to a changing environment and the turbulent market conditions (Cegarra-Navarro and Soto-Acosta, 2016: 1544).

By the reason of globalization and rapid technological developments, uncertainty and unpredictability have been gradually increased in all sectors. Accordingly, organizational agility represents a crucial business strategy which provides organization to adapt to unexpected and unpredictability changes and facilitates achieving and maintaining a competitive advantage (Alzoubi et al., 2011: 504). Due to the organizational agility as a critical element for the success of almost every organization it is needed to establish or maintain a competitive culture which aims to be quick, flexible, responsiveness and have competency in work processes. Therefore, it is important to identify agility providers that called as antecedents organizations have to be maintained (Vogel, 2014: 12). In the literature, it is seen that a review of work in the field of organizational agility indicated that its antecedents. These studies have suggested that market conditions, customer requirements, organizational structures, market, customer and learning orientation, organizational practices and dynamic capabilities as determinants of organizational agility (Kanani, 2016: 106; Braunscheidel and Suresh, 2009: 123). In this context, this study aims to examine some of the organizational antecedents of organizational agility in retailing sector. From the scope of the organizational antecedents; dynamic capabilities, organizational structure and customer orientation have been evaluated. However, there is not any research in existing literature yet examining the relationships among dynamic capabilities, customer orientation and organizational structure in together at retail industry. Consequently, this study aims to investigate organizational antecedents of organizational agility levels of retail companies so it attempts to add contribution to the literature.

2. LITERATURE REVIEW

2.1. Organizational Agility

Occurrence the concept of agility is based on the period of recession and the loss of competitiveness in American industries during the 1980s (Kanani, 2016: 102). However, the term of organization's agility was first popularized in 1991 in an Iaccoca Agency report which entitled Twenty-first Century Manufacturing Enterprise Strategy presented by academics of Lehigh University. According to this report, organizational agility defined as a "manufacturing system with capabilities that aims to meet the changing needs of the marketplace". Following the Iaccoca Agency report, researchers tried to explore the agility concept and expand agility research from the manufacturing area to the wider business context. Therefore, it is seen that concept of agility has become an attractive topic in variety of disciplines such as business management, strategic management, human resource management and supply chain management (Thao, 2012: 35). In other words, it is possible to express that the concept of agility may be handle grounded in management theory. For example, it is considered as a new solution for managing a dynamic and changing environment in business area early in the 1990s (Nafei, 2016: 272). Due to the concept of agility's effect on competitiveness, responsiveness and product development, it can be evaluated as an organizational trait (Alzoubi et al., 2011: 505). In addition to this, agility seen as a paradigm that is principally provide the organizations to cope with the unexpected changes, facilitate to overcome the threats and enable to turn the opportunities into advantages in business world (Zhang and Sharifi, 2000: 496). Consequently, agility intends to alert recognizing opportunities and challenges, required to have a capability to use organizations resources in responding proactive and reactive manner. Besides, it represents a fast moving, adaptable and resilient organization which is capable of quick adaptation to the changes, market conditions and customer requirements (Swafford et al., 2006: 71).

In the 21st centuries working area, agility regarded as a competitive resource for organizations to cope with uncertain, ever-changing and flexible conditions (Gligor et al., 2013: 94). Nowadays, as quickness, complexity and severe situations in business life, organizational agility has gained more importance. However, organizations necessity to respond customer needs in timely and adapt to their business process deliver or improve new products, it is needed to maintain agility (Kuleelung and Ussahawanitchakit, 2015: 206). Due to the agility's significant role for organizations, researchers

began to focus on measuring organization agility and the characteristics of agile organizations. According to the researchers, there some features of agility such as flexibility, responsiveness, promptness, changeable, integration, low complexity, high quality, customized products and competence, dynamism, proactivity and growth-orientation (Jahangiri and Khalkhali, 2014: 871). In addition to this, it is seen that researchers classified organizational agility dimension differently. For example Sharifi and Zhang (2000) examined organizational agility under the dimensions which are labeled as responsiveness, competency, flexibility and speed. Responsiveness refers to the ability to identify changes, respond rapidly to changes and recover from changes. Competency as abilities which provide an organization to reach its aims and goals related with productivity, efficiency, and effectiveness. Flexibility which means the capability such as product volume flexibility, organizational issues flexibility and people flexibility. The last dimension speed refers to the ability that carries out tasks and operations in the shortest time. Therefore, it can be said that through the components of agility, organizations may adapt themselves to the current technologies and unpredictable working conditions. Moreover, the dimensions of agility provide organizations to survive in a competitive environment and quick response to unsteady markets and customer demands (Jahangiri and Khalkhali, 2014: 870).

2.2. Antecedents of Organizational Agility and Hypotheses Development

Organizational agility requires effective knowledge management, learning capability, efficient decision-making and quick solutions responding to the changing conditions. In order to maintain necessity conditions which provide adaptation to the business world, organizations must design their architectures with effective technologies, processes, strategies and qualified employees. In other words, it is seen that researchers suggest that agility can only be achieved particular areas of an organization, such as workforce agility, strategic agility, technology agility, business process agility and operational agility. Due to the agility is related to many aspects of organizations, it is needed to investigate which factors influence organizational agility (Thao, 2012: 41). In literature, it can be seen that extensive researches indicate the antecedents of organizational agility. According to these researches, some of the basic causes of organizational agility called as marketplace conditions, customer requirements, competitiveness, technological and social factors (Zhang and Sharifi, 2000: 499; Kuleelung and Ussahawanitchakit, 2015: 207; Kanani, 2016: 105). However, it is suggested that learning orientation, market orientation, organizational practices and organizational characteristics such as structure, climate, competencies and capabilities are considered as precursors of organizational agility. (Braunscheidel and Suresh, 2009: 121). Therefore, in this study, scope of the antecedents of organizational agility, organizational structure, dynamic capabilities and customer orientation variables will be examined.

Organizational structure which is represented by the organization chart defined as the arrangement of duties use for the work to be done effectively. In other words, organizational structure refers as an administrative mechanism that provides allocation of work roles, authority, and power and creates a pattern of interrelated work activities (Tran and Tian, 2013: 230). However, organizational structures considered crucial component as management of organizations and provide integration of activities and facilitate to perform their goals efficiently (Armstrong and Rasheed, 2013: 1). Due to the organizational structures importance, researchers have strived to determine which structure brings the most advantages for business and enable to responsiveness of working conditions. In the literature, it is seen that there are some views about organizational structure types. One of the widely used structure types which are called a mechanistic and organic systems of organization introduced by Burns and Stalker (1961) (Kanten et al., 2015: 1359). Mechanistic organization structure is characterized by formal lines of authority, well-defined chain of command, highly departmentalized and specialized functions. In addition to this, there are clear understanding about job roles, rules, policies and procedures. In contrast, organic organizations are described by informal network of authority, informal network of communication, opportunities for participating in the decision process (Conner and Douglas, 2005: 213). Moreover, organic organizations are flat; adaptable to environmental conditions, offer little guidance on specific role expectations and guide employees behaviors by shared values and goals (Dust et al., 2013: 5). Therefore, it is possible to express that organizational structures have great impact on employees' behaviors and organizational activities (Jiang, 2011: 15).

Organizational structure substantially influences the distribution and coordination of the organizations resources, information and knowledge processes. It facilitates the capacity of the organizations to adapt to changing conditions, to learn and innovate their work process and provide to improve customer orientation levels. Besides, organizational structure considered as a crucial factor for organizations to react and act effectively in unpredictable working conditions (Marti´nez-Leo´n ve Marti´nez-Garci´a, 2011: 543). Accordingly, it can be said that organizational structures have strong effect on organizational agility. In other words, hierarchical and bureaucratic organizations examined as an enemy of agility due to the prevent flexibility, responsiveness, quickness and adaptation of organizations (Teece et al., 2016: 19). In the literature, studies of Alzoubi et al. (2011) and Kanani (2016) suggested that organizational structures are main indicators of organizational agility. Therefore, it is possible to express that organizational structures considered are as one of the antecedents of organizational agility. Accordingly, the following hypotheses are proposed:

H_1: Organic organizational structure influences organizational agility levels.

H_2: Mechanic organizational structure influences organizational agility levels.

Dynamic capabilities refer to the capacity of organizations to create, extend or modify their resources according to the conditions (Clausen, 2013: 4). However, dynamic capabilities defined as an organization's ability "to integrate, build and

reconfigure internal and external competencies to cope with rapidly changing environments". The emergence of the dynamic capabilities based on the resource-based and the action-based views but there is still no single definition and consensus on the dimensions of dynamic capabilities (Giniuniene and Jurksiene, 2015: 986). Based on the literature, it is seen that most widely dynamic capabilities dimensions conceptualized as sensitivity, learning, integrating, coordinating and reconfiguring. Sensing capability represent to recognize, interpret and catch the opportunities, learning capability is defined as the ability to review existing operational capabilities with new knowledge. Integrating refers as the ability put together knowledge into the business units and reconfiguration capability characterized as the convenience, timeliness and efficiency of operational process to fit the turbulent working environment. However, dynamic capabilities are considered as invisible or latent, complex, usually uncertain and difficult to recognize (Pavlou and Sawy, 2011: 240-243). In addition to this, dynamic capabilities have become an indispensable component in the success of the organizations in competitive environment. Because it is seen as a strategic driving force which facilitate increasing organization's performance, innovativeness and competitiveness (Singh and Rao, 2016: 113). Therefore, organizations need to modify its capabilities align with the changes in working environment as to support long-run business performance, product development process and responsiveness to the customer demands (Tuţueanu and Şerban, 2013: 478). Accordingly, it can be said that dynamic capabilities have some positive effect on organizational process. In the literature, studies of Clausen (2013) suggested that dynamic capabilities have a significant impact on product innovation, Giniunienea and Jurksieneb (2015) asserted that dynamic capabilities affect organizational learning, innovation and performance. Moreover, Teece et al. (2016) emphasized that strong dynamic capabilities are required to provide organizational agility. In this context, it is possible to express that dynamic capabilities are considered as antecedents of organizational agility. Accordingly, the following hypotheses are proposed:

H_3: Sensitivity&learning capabilities influence organizational agility levels.

H_4: Integrating capabilities influence organizational agility levels.

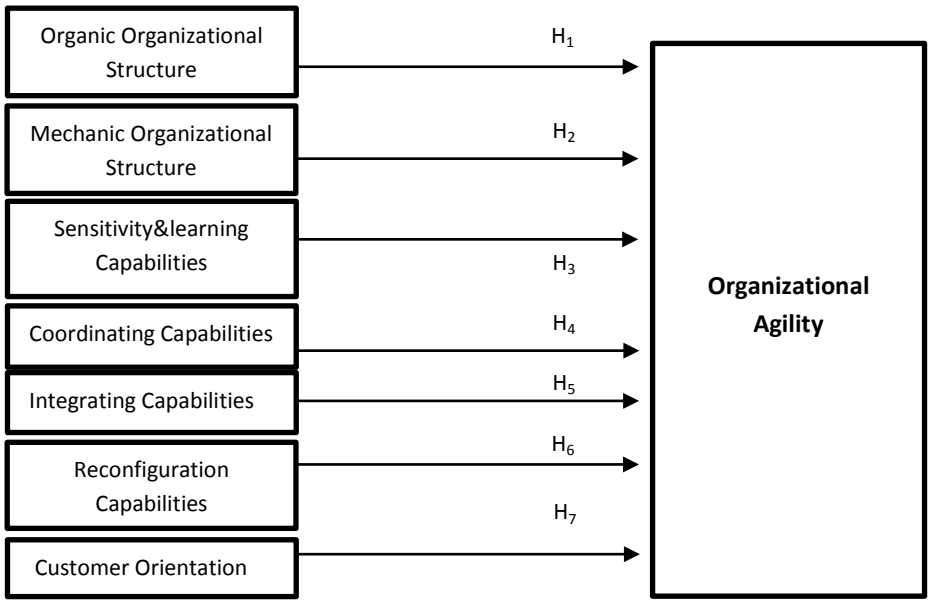
H_5: Coordinating capabilities influence organizational agility levels.

H_6: Reconfiguration capabilities influence organizational agility levels.

Customer orientation characterized as a positive attitudes which include several psychological characteristics and values in concordance with organizational standards (Gronfeldt, 2000: 3). However, customer orientation defined as an organizational cultural phenomenon that enables to satisfy the needs of customers through coordinated set of activities. Customer orientation involves five main dimensions that are called as pamper, read the customer facet, ability to deliver service, keeping the customer informed and personal relationships. These components indicate the capabilities of employees which lead them to satisfy customers (Kanten et al., 2016: 861). Moreover, it is accepted that customer orientation is a crucial tool to provide survival, competitiveness and growth of organization. Besides, researchers suggest that customer orientation helps increasing of customer trust, customer commitment and customer satisfaction (Sousa and Coelho, 2013: 1653). In the literature, it is considered that customer orientation is a key component of organizational profitability. In addition to this, customer orientation leads to increase organizational performance and innovativeness (Wu et al., 2013: 440). On the other hand, customer orientation facilitates employees to understand what each customer needs, provide to meet customer demands in timely and lead them to responsive to the customer requirements. Therefore, it can be said that customer orientation cause organizations to be proactive, flexible, effective and quick (Mei, 2012: 7). Accordingly, it can be said that customer orientation has a positive effect on organizational agility. Studies of Braunscheidel and Suresh (2009); Alzoubi et al. (2011) suggested that customer orientation has a significant impact on organizational agility. Vogel (2014) asserted that levels of customer understanding, Zhang and Sharifi (2000) indicated that customer requirements affect organizational agility. In this context, it is possible to express that customer orientation is considered as antecedents of organizational agility. Accordingly, the following hypothesis is proposed:

H_7: Customer orientation influences organizational agility levels.

Figure 1: Research Model



3. RESEARCH METHOD

3.1.Sample and Procedures

The sample of the research was composed of six companies on retailing industry which are located in Turkey. The participants of this study consist of 176 employees who have been working in these firms determined via convenient sampling method. From the 250 questionnaires that have been sent out, 180 have been returned, representing a response rate of 72%. After elimination of cases that have incomplete data and outliers, 176 questionnaires (70%) have been accepted as valid and included in the evaluations. However, questionnaire survey method is used for data collection in this study. Questionnaire form contains four different measures related to research variables.

3.2. Measures

Measures used in the questionnaire forms have been adapted from the previous studies in the literature. All measures have been adapted to Turkish by the lecturers and pilot study has been conducted for the validity of these measures. Before the distribution of the survey to the actual sample, a pilot study was conducted in order to determine whether the questions had been understood properly and to check the reliability of the scales. As a result of the pilot study, some corrections have been conducted in the questionnaire forms. A Likert-type metric, that is, expressions with five intervals has been used for answers to the statements of survey. Anchored such; "1- strongly disagree, 2- disagree, 3- agree or not agree, 4- agree, 5-strongly agree". However, 6 demographic questions were asked in the questionnaire form. Firstly, all scales were subjected to the exploratory factor analyses to check the dimensions, and then confirmatory factor analyses were applied to all scales.

- ***Organizational Structure Scale:*** Employees perception of organizational structures was measured with 10 items from Øgaard et al., (2008) study. Exploratory factor analyses using principle component analysis with varimax rotation was applied to the adapted scale for checking the dimensions. As a result of the varimax rotation of the data related to organizational structures variables, 2 items were removed from the analysis due to the factor loading under 0.50 and two factor solutions; **(organic and mechanic organizational structure)** were obtained as per theoretical structure. Factor loadings of the item ranged from .64 to .81. The Cronbach's alpha coefficient of the organizational structure scale items is .74

- ***Dynamic Capabilities:*** Employees perception of dynamic capabilities level measured with 23 items which was developed by Pavlou and Sawy (2011) study. As a result of the exploratory factor analysis data related to the dynamic capabilities, four factor solutions; **(sensitivity&learning, integrating, coordinating and reconfiguration)** were obtained per theoretical structure. Factor loadings of the items ranged from .57 to .78. The Cronbach's alpha coefficient of the dynamic capabilities scale items is .91.

- ***Customer-Orientation Scale:*** Employees' customer orientation levels were measured with 5 items from Alzoubi et al. (2011) study. As a result of the exploratory factor analysis of the data related to the customer orientation variables, one factor solution obtained per theoretical structure. Factor loadings of the item ranged from .62 to .77. The Cronbach's alpha coefficient of the customer-orientation scale items is .77.

- ***Organizational Agility:*** Employees perception of organizational agility levels measured with 19 items which was developed by Spitzer (2007). As a result of the exploratory factor analysis of the data related to the organization agility variables 7 items were removed from the analysis due to the factor loadings under 0.50 and three factor solutions; (**swiftness, responsiveness&flexibility, competency**) were obtained per theoretical structure. Factor loadings of the items ranged from .55 to .87. The Cronbach's alpha coefficient of the organization agility scale items is .87.

After the exploratory factor analyses, the confirmatory factor analysis has been conducted by Lisrel 8.8 for all scales. Goodness of fit indexes is presented in Table 1. It can be seen that all of the fit indexes fall within the acceptable ranges (Schermelleh-Engel et al., 2003: 52; Meydan and Şeşen, 2011: 35).

Table 1: Goodness of Fit Indexes of the Scales

Variables	χ^2	df.	χ^2/df ≤ 5	GFI ≥ .85	AGFI ≥ .80	CFI ≥ .90	NFI ≥ .90	NNFI ≥ .90	RMSEA ≤ 0.08
Organizational Structure	34.71	18	1.92	0.95	0.91	0.96	0.92	0.94	0.073
Dynamic Capabilities	252.69	127	1.98	0.86	0.81	0.96	0.92	0.95	0.075
Customer Orientation	3.17	4	0.79	0.99	0.97	1.00	0.99	0.99	0.000
Organizational Agility	119.39	51	2.34	0.90	0.84	0.96	0.93	0.94	0.080

3.3. Data Analysis

SPSS for Windows 20.0 and Lisrel 8.80 programs were used to analyze the obtained data. After the exploratory and confirmatory analysis, descriptive statistics such as means, standard deviations and pearson correlation analysis of the study variables were examined. Following that, structural equation modelling (SEM) was used to conduct a test of the variables in the research model to examine what extent it is consistent with the data.

4. RESEARCH FINDINGS

4.1. Respondent Profile

56% of the employees were female and 44% were male. Majority (89%) of the employees were between the ages 20-39, 9% of them older than 40, whereas 2% of them under 20. In terms of education level, 54% of them had a vocational school degree, 37% had a bachelor's degree, %4 of the employees had graduate degree and %4 of them had a primary school education. From the working unit perspective, 62% of the employees are working in sales departments, 16% of them in administrative departments, 13% of the employees are working in accounting department, 9% of the participants are working other departments such as human resource, technical and security. 54% of the participants have been working for between 1-6 years and 26% of them have been working less than one year while 20% of them working for more than 7 years in the same company.

4.2.Descrıptıve Analyses

In the scope of the descriptive analyses means, standard deviations and correlations have been conducted which are related to organizational structure, dynamic capabilities, customer orientation and organizational agilitiy. The values are given in Table 2.

Table 2: Means, standard deviations and correlations of the study variables

	Mean.	S.S	1	2	3	4	5	6	7	8
Organic Structure	3.90	.67	1							
Mechanic Structure	4.08	.71	.274**	1						
Sensitivity&Learn	3.86	.71	.443**	.429**	1					
Integrating	3.75	.79	.166*	.320**	.521**	1				
Coordinating	3.73	.83	.343**	.343**	.427**	.519**	1			
Reconfigurating	3.78	.69	.365**	.403**	.447**	.432**	.579**	1		
Customer Orientation	4.04	.73	.323**	.470**	.321**	.129	.178*	263**	1	
Organizational Agility	3.82	.62	.369**	.493**	.514**	.563**	.613**	.610**	.408**	1

***p<0.01, *p<0.05*

As can be seen in Table 2, organization dynamic capabilities, customer orientation and organizational agility levels were relatively high. However, the results of correlation analysis shows that organic organizational structure positively related to organization dynamic capabilities dimensions such as sensitivity&learning (r=.443, p<0.01), integrating (r=.166, p<0.05), coordinating (r=.343, p<0.01), and reconfigurating (r=.365, p<0.01). In addition organic organizational structure positively related to customer orientation levels of employees (r=.323, p<0.01) and organizational agility levels (r=.369, p<0.01). On the other hand, mechanic organizational structure positively related to organization dynamic capabilities dimensions such as sensitivity&learning (r=.429, p<0.01), integrating (r=.320, p<0.01), coordinating (r=.343, p<0.01), and reconfigurating (r=.403, p<0.01). The results of correlation analysis shows that mechanic organizational structure positively related to customer orientation levels of employees (r=.470, p<0.01) and organizational agility levels

(r=.493, p<0.01). Moreover, all dimensions of dynamic capabilities such as sensitivity&learning (r=.514, p<0.01), integrating (r=.563, p<0.01), coordinating (r=.613, p<0.01), and reconfigurating (r=.610, p<0.01) positively related to organizational agility. Besides, customer orientation levels of employees (r=.408, p<0.01) positively related to organizational agility.

4.3. Measurement Model

For the verification of the model two step approaches by Anderson and Gerbing (1988) has been used. According to this approach, prior to testing the hypothesized structural model, firstly the research model needs to be tested to reach a sufficient goodness of fit indexes. After obtaining acceptable indexes it can be proceed with structural model. As a result of the measurement model, 10 latent and 32 observed variables were found. Observed variables were consist of 3 items related to organic organizational structure, 3 items related to mechanic organizational structure, 6 items related to sensitivity&learning, 4 items related to integrating, 3 items related to coordinating, 3 items related to reconfigurating, 3 items related to customer orientation and 10 items related to organizational agility. The results of the measurement model were; x^2: 800.76; df: 543; x^2/ df; 1.47; RMSEA: 0.052; IFI: 0.97; CFI: 0.96; NFI: 0.93; NNFI: 0.94. These values indicate that measurement model has been acceptable (Schermelleh-Engel et al., 2003: 52; Meydan and Şeşen, 2011: 37). Besides these criterions for accepting measurement model there are some criterions such as standardized factor loadings and Cronbach's alpha values. In Table 3, these values were summarized.

Table 3: Results of Measurement Model

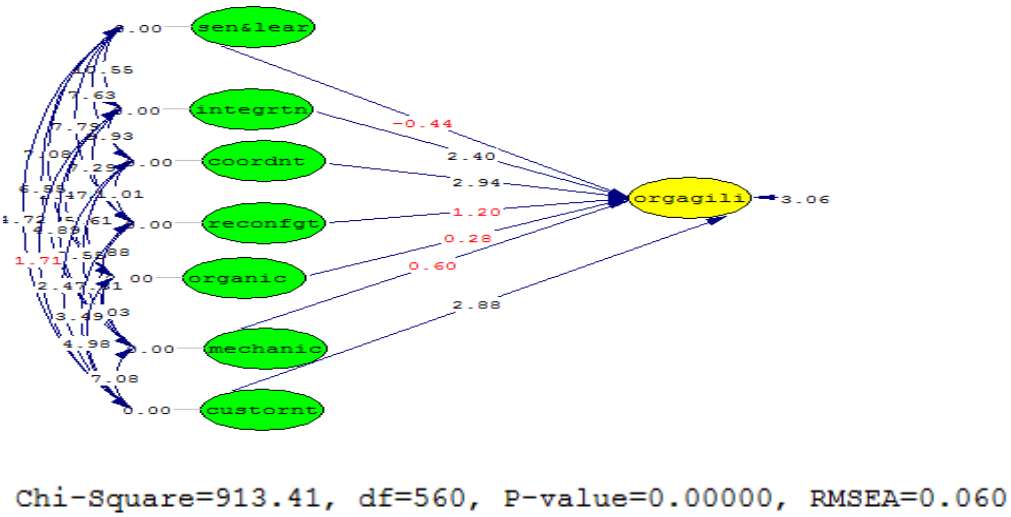
	Standardized Factor Loadings	***t- values***	***R^2***	***CR***
Sensitivity & Learning				***0.86***
Review effect of changes in our business on customers	***0.67***	***9.71***	***0.44***	
Devote a lot of time implementing ideas for new products	***0.59***	***8.14***	***0.44***	
Devote a lot of time implementing ideas for existing products	***0.73***	***11.00***	***0.62***	
Effective routines to import new information and knowledge	***0.75***	***12.36***	***0.62***	
Adequate routines assimilate new information and knowledge	***0.63***	***11.03***	***0.55***	
Effective in utilizing knowledge into new products	***0.55***	***9.52***	***0.44***	
Integrating				***0.80***
Global understanding of each other's tasks and responsibilities	***0.69***	***10.18***	***0.52***	
Aware of who in the group has specialized skills & knowledge	***0.76***	***9.80***	***0.48***	
Interrelate our actions to each other to in changing conditions	***0.69***	***10.45***	***0.53***	
Group members manage successfully interconnected activities	***0.72***	***9.99***	***0.51***	
Coordinating				***0.79***
Ensure an appropriate allocation of resources within the group	***0.67***	***10.17***	***0.50***	
Group members are assigned task-relevant knowledge & skills	***0.76***	***10.40***	***0.52***	
Our group is well coordinated	***0.79***	***11.51***	***0.64***	
Reconfiguration				***0.78***
Reconfigure our resources to come up with new products	***0.65***	***9.72***	***0.50***	
Reconfigure our work process according to the changes	***0.52***	***8.65***	***0.40***	
Reconfigure technological equipment according to the changes	***0.70***	***10.39***	***0.59***	
Reconfigure marketing strategies according to the changes	***0.52***	***7.36***	***0.43***	
Organic Organizational Structure				***0.68***
Important to discover improvements in the ways we do things	***0.61***	***8.62***	***0.63***	
Important to test new ideas in our work	***0.47***	***6.24***	***0.36***	
Have discretion in choosing the means for getting the job done	***0.57***	***6.34***	***0.37***	
Mechanic Organizational Structure				***0.77***
There is a heavy emphasis on work efficiency and velocity	***0.51***	***7.00***	***0.60***	
There is a heavy emphasis on profitability.	***0.51***	***6.57***	***0.53***	
Tasks are clearly defined.	***0.55***	***8.35***	***0.31***	
Customer Orientation				***0.77***
An accurate understanding of what its customers expect	***0.59***	***9.94***	***0.49***	
Take customers 'requirements setting performance targets	***0.67***	***10.65***	***0.60***	
Strategies are developed on the basis of what is important to its customers.	***0.68***	***10.23***	***0.55***	
Organizational Agility				
Speed				***0.76***
Implement changes in business process quickly	***0.50***	***4.71***	***0.48***	
Implement large-scale changes quickly	***0.56***	***7.70***	***0.50***	
Implement technological changes quickly	***0.93***	***11.54***	***0.58***	
Competency				***0.82***
Has a capability to train employees quickly	***0.72***	***9.51***	***0.46***	
Has a competency the anticipation of changes	***0.62***	***9.86***	***0.49***	
There is high degree of collaboration	***0.78***	***10.99***	***0.57***	
There is a great deal of modularity	***0.78***	***11.03***	***0.57***	
Flexibility & Responsiveness				***0.75***

High capacity to adapt changes	***0.57***	***10.09***	***0.50***
There is a quick respond to customer demands	***0.57***	***10.14***	***0.52***
There is a quick respond market opp. and threats	***0.61***	***9.07***	***0.46***
∗ t-values significance at p<0.01 level, CR: Cronba Alpha values			

4.4. Structural Equation Model

After the measurement model was demonstrated as acceptable, the structural equation model was applied to verify hypotheses for the causal relationships in the research model. The results of the structural equation model were; x^2: 913.41; df: 560; x^2/df: 1.63; RMSEA: 0.060; CFI: 0.95; IFI: 0.95; NFI: 0.90; NNFI: 0.94. These results indicate that structural model has been acceptable (Schermelleh-Engel et al., 2003: 52; Meydan and Şeşen, 2011: 37). According to the results of structural equation model, the path parameter and significance levels show that integrating (γ=0.31; t-value=2.40) and coordinating (γ=0.38; t-value=2.94) capabilities have a positive and significant effect on organizational agility levels, so H_4 and H_5 hypotheses were supported. However, customer orientation has a positive and significant effect (γ=0.27; t-value=2.88) on organizational agility levels, thus H_7 hypothesis was supported. On the other hand, sensitivity&learning (γ=-0.05; t-value=0.44) and reconfiguration capabilities (γ=0.15; t-value=1.20) have no significant effect on organizational agility levels, H_3 and H_6 hypotheses were not supported. Moreover, organic organizational structure (γ=0.38; t-value=2.94) and mechanic organizational structure have no significant effect on organizational agility levels, so H_1 and H_2 hypotheses were not supported. In this regard, it is possible to express that dynamic capabilities dimensions labelled as integrating and coordinating can be considered as an antecedents of organization agility. Besides, research results indicate that organization's customer orientation levels regarded as significant precursors of organizational agility. Therefore, it can be said that dynamic capabilities and customer orientation levels increase organizational agility.

Figure 2: Structural Model and Path Coefficients



5. CONCLUSION

Organizational agility is considered as one of the necessary component for organizations to improve competitiveness and innovativeness. Organizational agility is a crucial strategy which aims companies to response unpredictable conditions and variable customer demands in timely. Due to the turbulent, dynamic and rapidly changing situations, organizations have to use resources effectively and desire to meet customer requirements by the proactive strategies which called agility. Organizational agility represents the proactive act that is essential for organizations to reach success and sustainable development. In order to maintain this proactive act, organizations should have possesses qualified employees, effective process, policies and strategies. However, as the importance of organizational agility on companies' performance, it is seen that managers and researchers focus on how it can be maintained. In other words, they began to investigate the antecedents of organizational agility. According to the previous studies in the literature, researchers indicated that there are considerable antecedents of agility which organizations need to build. Therefore, this study aims to examine some organizational antecedents of agility. In this context, dynamic capabilities, organizational structures and customer orientation are investigated as antecedents of organizational agility in this research. As a result of the research findings, it has been obtained that dynamic capabilities dimensions labeled as integrating and coordinating have a significant effect on organizational agility, so H_4 and H_5 hypotheses were supported. Integrating represent the ability of employees individual knowledge and skills to transform organizational asset which is

crucial to respond changing demand and conditions. In addition to this, coordinating refers to the matching right employees to the right tasks and to combine employees, tasks and process one to another. Accordingly, for able to serve customers effectively and to build efficient manufacturing system, it is needed to provide agility on organizational process and employees. However, it is found that there is no significant effect of the other dynamic capabilities such as sensitivity&learning and reconfiguration on organizational agility, thus H_3 and H_6 hypotheses were not supported. That is to say, organizational agility has not affected some of the dimensions of dynamic capabilities within the scope of retailers. Therefore, it can be said that through the organizations possess integrating and coordinating capabilities, they quickly adapt to unpredictable and dynamic environment and answer customers and working environment demands easily. Besides, by these capabilities organization may innovate their process, increase their performance and develop themselves. Consequently, it is possible to express that to integrate and coordinate resources, employees and process may increase organizational agility levels in retailing industry. In terms of research results, it has been observed that organizational structure types which are characterized as a mechanic and organic have no significant effect on organizational agility, thus H_1 and H_2 hypotheses were not supported. In this context, it can be said that decision-making process, authority relations, flexibility, decentralization and allocation of responsibilities have no considerable effect on organization's responsiveness, timeliness and competency levels in scope of the retailing companies. On the other hand, it is found out that customer orientation has a significant effect on organizational agility, so H_7 hypothesis is supported. Customer orientation level shows organization to fulfill and understand customer demands effectively. Furthermore, it is indicated that organization can adapt themselves changing customer requirement and to strive satisfying customers. When organizations adopt view of customer orientation, it can be said that their agility levels may increase. In other words, as employees serve customers quickly, willingly and sweepingly, organizations perform customer requirements properly and sustain agile competition in business area. Therefore, it can be inferred that the organizations place in retailing industry have integrating and coordinating capabilities and customer oriented cultures that facilitate them to get agile. These characteristics lead retailing organizations to be flexible, to possess some competencies and to act rapidly.

In the literature, there are some studies related to the antecedents of organizational agility particularly manufacturing companies and logistics industry. However, studies with organizational agility and its antecedents are relatively scant in retailing industry. Therefore, this study aims to add several contributions to the theory by exploring the relationships among these variables and determining the antecedents of organizational agility. Moreover, this study demonstrates which components need to be considered to maintain organizational agility in the retailing industry. Accordingly, it can be said that it is required to integrate and coordinate resources, employees and process and adopt customer oriented culture in the retailing industry. Thus, it is possible to express that to provide organizational agility depend on some of the dynamic capabilities and customer orientation. For future studies, it is recommended that the research model can be tested with larger samples or in other sectors such as tourism, manufacturing or logistics and the results can be compared. On the other hand, the research model can be designed by adding some other organizational variables within the scope of antecedents of organizational agility. For instance, organizational learning, organizational intelligence, organizational culture, innovativeness, market conditions can be investigated.

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