The Role of Entrepreneurial Orientation and Competitive Intelligence In The Influence of Strategic Flexibility on Organizational Agility

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ABSTRACT

Entrepreneurial orientation and competitive intelligence play an important role in influencing the strategic flexibility and organizational agility. Therefore, we need to know what kind of orientation and competitive intelligence that suit the most for the organization. This research aims to analyze the role of entrepreneurial orientation and competitive intelligence in the influence of strategic flexibility on organizational agility. The research method used is a quantitative method, with data collection through distributing questionnaires to respondents who are working in the hotel industry. From the research result all the hypotheses all are accepted and effect significantly positive between each variable. This research highlights the importance of entrepreneurial orientation and competitive intelligence in increasing the strategic flexibility and organizational agility of an organization so that the organization has an innovative and unique strategy from other organizations. The implications of this research suggest that organizations should prioritize these factors to stay competitive in an increasingly dynamic market. Future research should explore additional samples and variables and investigate these relationships in different industries to deepen the understanding of the factors influencing strategic flexibility and organizational agility

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Introduction

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Entrepreneurial Orientation (EO) is a set of dimensions that encompasses the processes, decision-making practices, and activities that lead to the creation or re-creation of business ventures, including the propensity to act autonomously, the disposition to innovate and take risks, the propensity to compete, and being proactive in the face of new opportunities [1]. The concept of the business world is always changing, Entrepreneurial Orientation is widely accepted as a firm-level construct in the literature [2]. It refers to the ability of organizations or individuals to adopt entrepreneurship in the face of difficulties and opportunities in business. Companies that can adopt new technologies and apply organizational innovation in their business will be able to improve their efficiency, productivity, and service quality [3]. Entrepreneurial Orientation involves characteristics such as innovation, creativity, courage, and agility that are essential in the face of increasingly fierce competition. The ability to innovate can be understood as the ability to develop products or services tailored to market demand by implementing processes with accuracy and speed when responding to technological developments or unexpected opportunities run by competitors [4]. Entrepreneurial Orientation has become the driving force for organizations to pursue entrepreneurial activities [5]. EO has been considered an object of organizational decision-making that supports entrepreneurial activity [5]. Entrepreneurship has three components: innovative, proactive, and risk-taking [6]. To support a strategy that supports adaptation to changing conditions, a set of meta-capabilities referred to as Organizational Agility is required. To develop OA, leaders need to identify these key factors. Research suggests that Competitive Intelligence, Entrepreneurial Orientation, and strategic Organization Flexibility are meta-capabilities that are critical in facilitating the achievement of Organization Agility [7].

EO has become an important factor for investigating the entrepreneurial spirit of firms and its influence on strategic processes [1]. Along with advanced technology and changing consumer behavior, businesses need to adapt, evolve, and change. The purpose of this article is to examine the role of Entrepreneurial Orientation and Competitive Intelligence in the influence of Strategic Flexibility on Organization Agility by surveying respondents from the hotel industry. Simultaneously, Competitive Intelligence serves as a way to provide fast and

good services, CI is not a new business activity but a new field of academic study [8]. CI maintains ethical and legal collection of data from public sources such as competitors and the business environment, which will be transformed into data through analysis This will allow managers to make evidence-based decisions [7]. Study also prove that the majority of executives are late in responding to competitors' moves, this proves that CI has a critical role in the organization.

This study proves that strategic business should be implemented into organizations, allowing the roles of Entrepreneurial Orientation, Competitive Intelligence, Strategic Flexibility, and Organization Agility to reach their full potential. By understanding and honing Entrepreneurial Orientation, companies can become more responsive to changes in the market, can be more innovative in products or services, and more capable in creating new opportunities. Companies that successfully implement EO tend to produce a wide range of outcomes, ranging from huge successes from total losses [9]. This article will help us understand the concept better and provide knowledge on how to apply it in the business world. In summary, this article aims to explain the role of Entrepreneurial Orientation and Competitive Intelligence in influencing Strategic Flexibility on Organization Agility. By examining this meta-ability, this research seeks to provide guidance on how to implement Entrepreneurial Orientation and Competitive Intelligence into an organization successfully so as to maintain flexibility in a fast-changing and competitive business. The findings of this article can assist leaders in developing organizational strategies in the development of flexibility that allows companies to thrive in the face of change and uncertainty.

Flexibility and adaptation have always been associated with entrepreneurship and good business performance. To adapt, organizations must develop plans and strategies to handle changes in the environment to maintain business continuity and good performance. Therefore, strategic flexibility requires organizations to better influence and adapt to the external environment by considering risk taking, and also with innovative solutions through entrepreneurial orientation. Previous research proves that entrepreneurial orientation has a significant positive effect on strategic flexibility because EO can increase the company's

ability to deal with changes that occur by adopting innovation and risk taking which ultimately also increases strategic flexibility [10]. The essence of entrepreneurial orientation is to create business strategies in response to challenges and opportunities in the environment. EO builds a road-map for OA even under hostile economic conditions [11]. Companies with high EO tend to monitor the operating environment to find new opportunities and strengthen their position which can lead to a high sense of capability and EO must also exploit opportunities as quickly as possible, this explains EO's task as discovering opportunities, responding to changes and exploiting opportunities. EO activities enable companies to structure their processes in a way that is more efficient, agile and quick to react to market changes [12]. Competitive advantage can be defined as finding unique opportunities to develop the market. In strategic management, CI plays an important role in the company's knowledge and experience. The collection of data, information, and knowledge is the process of facilitating the selection process to improve the organization's competitive advantage. So competitive intelligence affects strategic flexibility [13]. SF is related to CI because as CI capabilities increase the Company's ability to respond to opportunities and threats increases [14].

The purpose of competitive intelligence is to collect, store, access, and analyze data, including data about customers, partners, operations, and other environmental change information. The use of CI in organizations will help improve OA by increasing the organization's ability to detect changes located in CI data. Previous research has shown knowledge creation, sharing, and use to enable IT alignment strategies. Due to knowledge sharing between business and IT executives, organizations can respond quickly to changes in the market, thereby improving OA [15].

Organizational agility refers to an organization's ability to adapt quickly to environmental changes and take advantage of opportunities [16]. Organizational agility adapts to new knowledge and responds to continuous improvement and change in the combined environment. In today's complex and ever-changing business environment, organizational agility is essential for businesses around the world to remain competitive and generate value [17]. Organizational agility must be sensitive to opportunities and threats to

evolve and configure strategic plans and choices. Therefore, the organization must have a strategy that can adapt to changes that occur. Strategic flexibility is the ability to combine and configure the Company's resources and carry out the role that the Company takes. By having good strategic flexibility, it will also increase the effectiveness of organizational agility [18].

Entrepreneurial orientation is a strategy to create high business value in the face of emerging opportunities and challenges. Organizations with high EO will also be sure to arrange their resources in a rapid manner in this changing market. An agile company will quickly and effectively sense potential market demand, organize the necessary resources to innovate new solutions [11]. Strategic flexibility has a role as a mediator in making flexible strategies to be perfect in making decisions in dealing with existing situations [13]. So strategic flexibility will facilitate entrepreneurial orientation in making decisions in the face of emerging decisions and threats so that it also increases OA. Competitive intelligence consists of many categories such as applications, technologies, processors to collect, store, access, and analyze data to help businesses make better choices [15]. With the help of CI, organizations will be faster in analyzing and collecting data which will increase organizational agility. The mediating role of strategic flexibility makes the intensity and awareness of following a flexible strategy to obtain CI [13]. CI can also investigate and predict competitive advantages with intensive effects on the business. When CI in the company is good, strategic flexibility will have a strong effect on organizational agility.

This study aims to determine how much entrepreneurial orientation and competitive intelligence affect strategy flexibility in organizational agility, so that organizations will know what factors can affect the flexibility of the Company and so that the Company can innovate following the times of trends so that the Company is also not inferior to other competitors.

Method

This research is conducted to collect and analyze relevant data to answer the questions of this study. This study will select a suitable sample for the population of this study. Hospitality industry is the subject of this research. Through questionnaires, this study will ask respondents several questions about entrepreneurial orientation, competitive intelligence, strategy flexibility and organizational agility. The relationship of the following variables will also be identified through statistical analysis. Smartpls will be used to test the variables. In the questionnaire there will be questions according to the existing variables, of which the entrepreneurial orientation variable has 8 questions, in competitive intelligence has 9 questions, in strategy flexibility has 8 questions and in organizational agility has 10 questions, so the total questions distributed are 35 questions. The questionnaire will also be answered using a Likert scale where 1 strongly disagree, 2 disagree, 3 neutral, 4 agree, and 5 strongly agree. This will show how high the respondent's level of agreement is with the questions in the questionnaire. The population of this study were employees who worked in hotels in the city of batam. The minimum number of samples used is based on the formula from [19], In this study there are 35 questions, so the total minimum sample that must be used in this study is 350 respondents. The total number of respondents from employees who have filled out the questionnaire is 380 respondents.

The role of entrepreneurial orientation and competitive intelligence in the effect of strategic flexibility on organizational agility is the subject of this study. To answer the research questions, this research design involves a systematic process of collecting and analyzing relevant data. First, this study will concentrate on selecting a relevant sample for the research population, which includes the hospitality industry. This research will be carried out by distributing questionnaires via Google Form which will be distributed to employees who work in the hotel industry Next, this study will solicit data from respondents regarding entrepreneurial orientation, competitive intelligence, strategic flexibility, and organizational agility through questionnaires or structured interviews. Furthermore, statistical analysis will be used to find the relationship and impact of these variables. The research may also involve a thorough literature survey to gain a better understanding of the current conceptual framework and to strengthen the theoretical basis of

the research. This research aims to gain a thorough understanding of the relationship between the variables under study using quantitative methods.

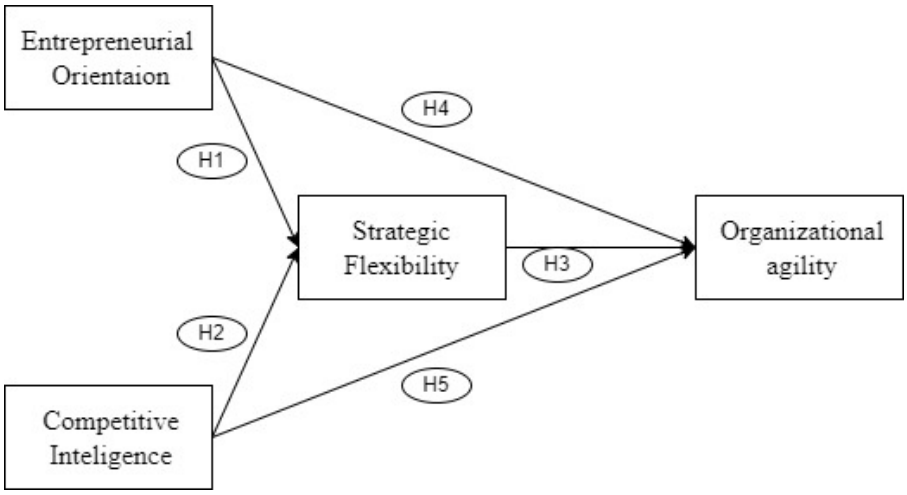

Figure 1. Research Model

Source: Research Processed Data, 2024

Unavoidable external variables are among the controls that can affect the results of the study. Therefore, data analysis strategies should be carefully designed to avoid bias and ensure that the results are valid. This research is expected to enhance the understanding of how competitive intelligence and entrepreneurial orientation play an important role in influencing the relationship between strategic flexibility and organizational agility [15]. The choice of hotels as research subjects is due to the desire to find out how strategic flexibility, competitive intelligence and entrepreneurial orientation can affect the level of agility of a company. Hospitality companies are considered complex and dynamic business entities whose success is influenced by internal factors and a changing external environment. Therefore, hospitality-focused research is expected to find useful insights into how internal factors interact with each other to enhance a firm's adaptability and responsiveness.

To analyze the data, this study will use SmartPLS, which is used to test the relationships between variables and the structural model. SmartPLS allows for hypothesis testing

involving both direct and indirect relationships between variables, as well as providing insights into the contribution of each variable to the overall model. The tests conducted using SmartPLS will include validity and reliability testing, path analysis to examine the relationships between independent and dependent variables, and measurement model analysis to ensure that the measurement instruments used in this study are valid and consistent. Additionally, convergent validity, discriminant validity, and coefficient of determination (R^2) tests will be performed to ensure the quality of the developed model. This research will also include a comprehensive literature review to strengthen the theoretical foundation of the study, providing a deeper understanding of the existing conceptual framework. To ensure that the findings of this study are representative, this study will select hotels in batam. Therefore, the research findings can have broader relevance and can be applied to various business situations. If you know how entrepreneurial orientation and competitive intelligence are applied in companies, as well as the extent to which strategic flexibility can affect corporate agility, you will have a better understanding of contemporary business dynamics. The company is the main subject of this study to answer the research questions and contribute to the relevant strategic management literature and practice.

Results and Discussion

Data collection and processing were carried out by distributing questionnaires online to employees working in the hospitality industry in batam via google forms. A total of 380 respondents were used to research the study “The role of entrepreneurial orientation and competitive intelligence in the influence of strategic flexibility on organizational agility”. Data from the research results is demographic data, it can be seen that female employees of 54% are more dominant than men of 46%. Then 15.2% of employees aged 18-20 years, 56.8% aged 21-30 years, 25.3% aged 31-40 years, 2.4% aged 41-50 years, 0.3% aged 51-56 years. Then from the analysis 58.9% have graduated from high school / vocational school, 17.6% graduated from D3, 22.4% have graduated from S1, and 1.1% graduated from S2 / S3. Then 14.7% of employees are in supervisor positions, 80% are in staff positions, and 5.3% are in managerial level positions.

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Table 1. Common Method Bias

Total Variance Explained						
Component	**Initial Eigenvalues**			**Extraction Sums of Squared Loadings**		
	Total	**% of Variance**	**Cumulative %**	**Total**	**% of Variance**	**Cumulative %**
1	15.677	44.793	44.793	15.677	44.793	44.793
2	1.098	3.138	47.931			
3	1.071	3.061	50.992			
4	.937	2.677	53.669			
5	.909	2.596	56.265			
6	.830	2.370	58.635			
7	.812	2.320	60.955			
8	.806	2.304	63.259			
9	.758	2.165	65.424			
10	.694	1.981	67.405			
11	.677	1.935	69.340			
12	.665	1.899	71.239			
13	.642	1.834	73.074			
14	.627	1.790	74.864			
15	.575	1.642	76.506			
16	.573	1.638	78.144			
17	.546	1.561	79.705			
18	.533	1.523	81.228			
19	.521	1.488	82.716			
20	.497	1.420	84.137			
21	.486	1.388	85.524			
22	.469	1.339	86.863			
23	.468	1.336	88.200			
24	.450	1.286	89.486			
25	.435	1.243	90.728			
26	.415	1.186	91.914			
27	.379	1.083	92.997			
28	.366	1.045	94.042			
29	.350	1.001	95.042			
30	.321	.918	95.960			
31	.309	.882	96.842			
32	.295	.843	97.685			
33	.294	.840	98.526			
34	.283	.809	99.335			

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35	.233	.665	100.000

Extraction Method: Principal Component Analysis.

Source: Research analysis, 2024

Based on the results of the common method bias (CMB) test, it can be observed that the output results show a percent variance value of 44.793%, which is below the threshold of 50%. This indicates that the data is free from common method variance, meaning that the variance in the data is not significantly influenced by the measurement method or the respondent's bias. Consequently, this suggests that the collected data is reliable and valid for further analysis. As the data is free from method bias, the Partial Least Squares (PLS) analysis can be continued. With the absence of common method bias, the results of the PLS analysis can now be confidently used by hotel management to identify underlying patterns or factors that influence organizational performance. The analysis can provide insights into how variables such as entrepreneurial orientation, competitive intelligence, strategic flexibility, and organizational agility are interconnected and contribute to the overall performance of the organization. By understanding these relationships, hotel managers can make informed decisions to improve operational strategies, enhance agility, and align their competitive strategies with the industry's demands, ultimately fostering improved organizational performance.

Measurement Model

Outer loadings aim to measure the correlation between constructs and their indicators. The outer loading value must be greater than 0.70 and should be considered for deletion for correlations whose values are between 0.40 and 0.70 if they contribute to increasing composite reliability and average variance axtracted (AVE) and outer loadings values below 0.40 should be deleted [20]. In table 1, it can be concluded that the outer loadings test results are all valid because they have an outer value that exceeds 0.6 and shows that all variables meet the criteria. With valid indicators from the outer loading test results, hotel management can more easily identify service areas that require improvement.

Table 2. Outer Loadings results

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	CI	EO	OA	SF
CI_1	0.890			
CI_2	0.899			
CI_3	0.864			
CI_4	0.887			
CI_5	0.873			
CI_6	0.897			
CI_7	0.879			
CI_8	0.888			
CI_9	0.884			
EO_1		0.845		
EO_2		0.876		
EO_3		0.871		
EO_4		0.857		
EO_5		0.886		
EO_6		0.883		
EO_7		0.874		
EO_8		0.843		
OA_1			0.887	
OA_10			0.864	
OA_2			0.882	
OA_3			0.881	
OA_4			0.877	
OA_5			0.877	
OA_6			0.885	
OA_7			0.888	
OA_8			0.888	
OA_9			0.903	
SF_1				0.863
SF_2				0.878
SF_3				0.906
SF_4				0.863
SF_5				0.890
SF_6				0.871
SF_7				0.896
SF_8				0.883

Source: Research analysis, 2023

Meanwhile, the loading factor for each variable can be seen in the educational research model in figure 2 below:

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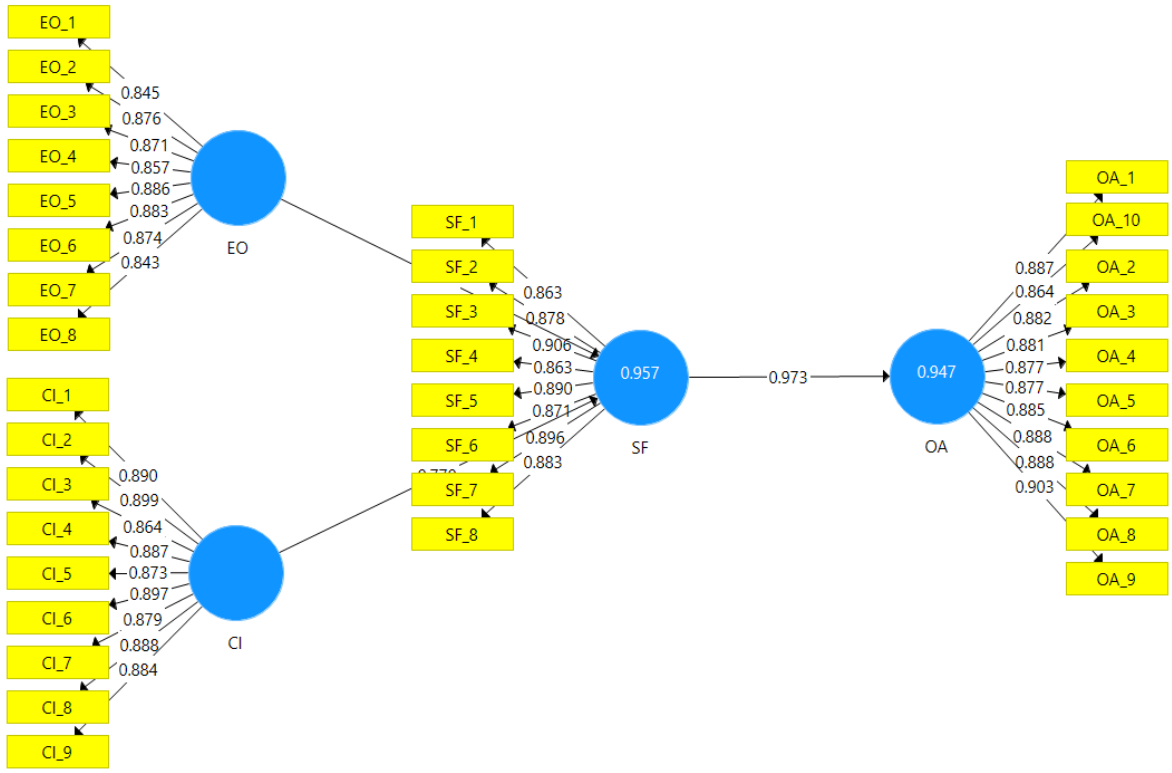

Figure 2. Loading Factor Value
Source: Research Processed Data, 2024

Indicator Reliability

The validity test aims to show the validity of the indicator variables and the validity of each latent variable. Indicator loading will be sufficient when the loading value is 0.5 to 0.6 [21]. From the test results all indicators are valid because all of them are above the value of 0.6. When the validity test is complete, the reliability test will be carried out to measure the internal consistency instrument. Cronbach's alpha, rho_A, composite reliability, and average variance extracted (AVE) are used to test the reliability parameters. Cronbach's alpha measures the lower bound of reliability while composite reliability measures the true value of the reliability construct [22], In addition, reliability is assessed by rho_A which evaluates the weight of the construct, not its loading, and is characterized by "off-diagonal elements of the latent variable indicator correlation matrix are reproduced as best as possible in least squares" and average variance extracted is used to investigate whether items are

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related to other items in the scale and whether they assess the same construct [23]. Hypothesis testing is carried out using the bootstrapping method to obtain the coefficient path and to determine the results on all hypotheses. [24] stated that when the T-statistic is above 1.96 or the P-value is below 0.05, it will be concluded to be significant. By understanding the factors that have the most influence on customer satisfaction, management can create more effective strategies and competitive advantages in the market.

Table 3. Reliability and Validity

	Cronbach's Alpha	**rho_A**	**Composite Reliability**	**Average Variance Extracted (AVE)**
CI	0.965	0.965	0.970	0.782
EO	0.953	0.953	0.960	0.752
OA	0.969	0.969	0.973	0.780
SF	0.959	0.959	0.965	0.776

Source: Research analysis, 2024

Discriminant Validity

Discriminant validity in this study was tested using the Fornell-Lacker and cross loading criteria. The first test uses Fornell-lacker which requires the AVE square root value of each construct to be greater than the other constructs. In table 3, it can be seen that the AVE square root value of each construct is smaller than other constructs, so it can be seen that the Fornell-Lacker criteria are not met. Failure in discriminant validity can indicate that the managerial strategy is too general, to overcome this, the organization can develop a more specific strategy based on the unique aspects of each construct.

Table 4. Fornell-Larcker Criteria

	CI	**EO**	**OA**	**SF**
CI	0.885			
EO	0.957	0.867		
OA	0.970	0.945	0.883	

SF	0.976	0.952	0.973	0.881

Source: Research analysis, 2024

The second test is cross loading, the cross loading value has criteria where the indicators that gather on each variable have a minimum value of 0.7 [25]. Table 4 shows that all indicators have a high correlation with each variable because they have a value greater than 0.7 and have a value greater than other variables. Strong discriminant validity indicates that each construct can be measured well using its indicators. Management can use these indicators to monitor specific hotel performance, for example customer satisfaction is accurately measured through aspects such as staff friendliness and room cleanliness.

Table 5. R-Square

	R Square	**R Square Adjusted**
OA	0.947	0.947
SF	0.957	0.957

Source: Research analysis, 2024

Table 5 shows that the R square value of the relationship between entrepreneurial orientation and competitive intelligence with organizational agility is 94.7%, indicating that the model falls into the strong category. This means that 94.7% of the variation in organizational agility can be explained by entrepreneurial orientation and competitive intelligence, while the remaining 5.3% is attributed to other factors that are outside the scope of this study. This high R square value signifies that the two independent variables - entrepreneurial orientation and competitive intelligence—have a significant impact on organizational agility in the hospitality sector. In addition, the relationship between entrepreneurial orientation and competitive intelligence with strategy flexibility, which has an R square value of 95.7%, shows that the model also falls into the strong category. This indicates that 95.7% of the variance in strategy flexibility is explained by entrepreneurial orientation and competitive intelligence, with the remaining 4.3% attributed to factors not included in this research. The high R square value further supports the relevance and importance of these independent variables in determining strategy flexibility. These findings highlight the crucial role of entrepreneurial orientation and competitive intelligence in

shaping organizational agility and strategy flexibility, especially in the context of the hospitality industry. Given the dynamic nature of the market, intense competition, and the constantly evolving needs of customers, organizations in this sector must develop strong organizational agility and strategy flexibility to remain competitive. The high explanatory power of the model demonstrates that the factors under investigation are highly relevant for improving performance and responsiveness in the hospitality industry, where adaptability and innovation are key to sustained success.

Hypotesis Testing

According [19] if the T value > 1.96 and the P value < 0.05, then the hypothesis can be stated to have a positive and significant effect. In terms of direct relationships in this study, the five hypotheses are accepted/significant, namely competitive intelligence has a significant effect on organizational agility, competitive intelligence has a positive effect on strategy flexibility, entrepreneurial organization has a significant effect on organizational agility, entrepreneurial has a positive effect on strategy flexibility, and strategy flexibility has a significant effect on organizational agility. Hypothesis testing results show that competitive intelligence and entrepreneurial orientation have a significant influence on organizational agility and strategy flexibility, which in turn helps hotels to remain competitive.

Table 6. Hypothesis Testing

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values	Description
CI -> OA	0.749	0.745	0.041	18.454	0.000	Signifikan
CI -> SF	0.770	0.765	0.041	18.711	0.000	Signifikan
EO -> OA	0.210	0.214	0.040	5.257	0.000	Signifikan
EO -> SF	0.216	0.220	0.041	5.247	0.000	Signifikan
SF -> OA	0.973	0.973	0.004	233.497	0.000	Signifikan

Source: Research data, 2024

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Specific Indirect Effects

In the indirect relationship in this study, it was found that both hypotheses were accepted/significant, namely competitive intelligence has a positive effect on strategy flexibility and is mediated by organizational agility, and entrepreneurial orientation has a positive effect on strategy flexibility and is mediated by organizational agility. The specific indirect effects test results show that competitive intelligence and entrepreneurial orientation affect strategy flexibility through organizational agility. This suggests that hotels should build a good competitive information system, strengthen entrepreneurial culture, and ensure that the organization remains flexible in formulating and adjusting strategies. These steps will help hotels to be more responsive to market changes, more creative in delivering services, and improve overall performance.

Table 7. Specific Indirect Effects

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values	Description
CI -> SF -> OA	0.749	0.745	0.041	18.454	0.000	Signifikan
EO -> SF -> OA	0.210	0.214	0.040	5.257	0.000	Signifikan

Source: Research data, 2024

Discussion

Effect of effectiveness of entrepreneurial orientation with strategy flexibility

The effectiveness of entrepreneurial orientation has a positive effect on strategy flexibility because it can be seen that the original mean and sample mean remain positive. Table 5 also shows that the P value is 0.000 <0.06 so it is proven to be significant, and this research is supported by the study of [26]. In the research, it was found that entrepreneurial orientation has a very positive effect on strategy flexibility in an organization according to the study [27]. In Table 2, the largest outer loadings value for entrepreneurial orientation is observed in the fifth indicator, with a value of 0.886, specifically related to the dimension of the "Use of inter-functional workgroups." This suggests that the effective coordination and collaboration within the organization, through well-structured workgroups, enhances the

flexibility of strategies, enabling the organization to adapt more efficiently to changes in the market and internal dynamics. The effectiveness of entrepreneurial orientation has a positive impact on strategic flexibility, as demonstrated by the significant results of this study. This finding aligns with resource-based theory, which posits that entrepreneurial orientation provides firms with unique capabilities, such as proactiveness and innovativeness, that foster adaptive and dynamic strategies. The largest loading value observed in the fifth indicator, related to the use of inter-functional workgroups, highlights the critical role of cross-functional collaboration. These workgroups enable firms to integrate diverse knowledge and perspectives, facilitating quicker and more effective responses to environmental changes, thereby increasing strategic flexibility.

Effect of effectiveness of entrepreneurial orientation with organizational agility

This study proves that entrepreneurial has a significant positive effect on organizational agility. It can be seen in table 2 that the original mean and sample mean remain positive. Table 6 also shows that the P value is 0.000 <0.060, so the effectiveness of entrepreneurial orientation has a significant effect on organizational agility. The results of this study are consistent with previous research which states that the effectiveness of entrepreneurial orientation has a significant positive effect on organizational agility [28]. The largest outer loadings value for organizational agility is found in the ninth indicator, with a value of 0.903, which corresponds to the dimension "Company management always tries to inform staff and customers." This indicates that, through effective entrepreneurial orientation, companies can implement innovative communication strategies and technologies, thereby enhancing their ability to keep staff and customers well-informed and responsive, which is crucial for maintaining agility in dynamic environments. This finding underscores the importance of competitive intelligence in enabling organizations to make faster, more informed decisions and communicate these changes effectively to both employees and customers, thus improving organizational responsiveness and agility in a competitive environment. Entrepreneurial orientation significantly influences organizational agility by equipping firms with the capacity to respond proactively to market demands. This

aligns with dynamic capabilities theory, which suggests that organizations with entrepreneurial attributes can sense and seize opportunities while effectively transforming internal resources. The ninth indicator, emphasizing the role of management in informing staff and customers, underscores the importance of transparent communication in enhancing agility. By fostering an entrepreneurial culture, organizations can drive innovation, ensure alignment with market trends, and maintain responsiveness in dynamic environments.

Effect of competitive intelligence effectiveness with strategy flexibility

This study proves that competitive intelligence has a significant positive effect on strategy flexibility. It can be seen in table 2 that the original mean and sample mean remain positive. Table 6 also shows that the P value is 0.000 <0.060, so the effectiveness of competitive intelligence has a significant effect on strategy flexibility. The results of this study are consistent with previous research which also states that competitive intelligence has a significant effect on strategy flexibility [14]. In table 2, it is known that the largest outer loadings value on the competitive intelligence variable is in the second indicator of 0.899 with its dimension In offering new services to the market. It can be concluded that integrating sophisticated technology will be able to offer faster and more efficient services. This highlights the impact of technological advancements on strategic decision-making, as new technologies can drive shifts in organizational strategies, thereby improving agility and the ability to adapt to changes in both the external environment and internal processes. The positive relationship between competitive intelligence and strategic flexibility is consistent with prior research and supported by contingency theory. This theory emphasizes the need for firms to align strategies with environmental conditions to achieve optimal performance. The second indicator, highlighting the role of new service offerings, reflects the importance of competitive intelligence in identifying market trends and adjusting strategies accordingly. By leveraging technological advancements and market data, firms can proactively modify their strategies to remain competitive and adaptive.

Effect of competitive intelligence effectiveness with organizational agility

This study proves that competitive intelligence has a significant positive effect on organizational agility. It can be seen in table 2 that the original mean and sample mean remain positive. Table 6 also shows that the P value is 0.000 <0.060, so the effectiveness of competitive intelligence has a significant effect on organizational agility. The results of this study are consistent with the results of previous studies which state that competitive intelligence has a significant effect on organizational agility [29]. In table 2, it is known that the largest outer loadings value on the organizational agility variable is in the ninth indicator with a value of 0.903 with its dimension Company management always tries to inform staff and customers. It can be concluded that with intelligence or sophisticated communication technology, it will be easier and faster for the company to inform something to staff and employees. Competitive intelligence significantly impacts organizational agility, as supported by findings in this study and by prior literature. This relationship is grounded in systems theory, which views organizations as open systems that must process external information to adapt and thrive. The largest loading value for organizational agility, associated with communication between management, staff, and customers, demonstrates how competitive intelligence supports agile decision-making. Effective intelligence allows firms to anticipate market changes and disseminate crucial information swiftly, enhancing their ability to adapt and innovate.

The effect of changes in strategy flexibility with organizational agility

This study proves that changes in strategy flexibility and organizational agility have a significant positive effect. It can be seen in table 2 that the original mean and sample mean remain positive. Table 6 also shows that the P value is 0.000 <0.060, so changes in strategy flexibility have a significant effect on organizational agility. The results of this study are consistent with the results of previous studies which state that strategy flexibility has a significant effect on organizational agility [30]. In table 2, it is known that the largest outer loadings value on strategy flexibility is in the third indicator with a value of 0.906 with its dimension The emergence of new technology. It can be concluded that the emergence of new technology will make changes to the strategies used by the Company so that it can also

increase organizational agility. The strong positive influence of strategic flexibility on organizational agility aligns with strategic choice theory, which emphasizes the role of managerial decisions in shaping organizational outcomes. The third indicator, relating to the emergence of new technology, highlights the importance of incorporating innovative solutions to maintain agility. Firms that adapt their strategies in response to technological advancements can better navigate uncertainties and maintain competitive advantage. This underscores the necessity of continuous learning and adaptation in dynamic markets.

Strategic flexibility as a mediation between entrepreneurial orientation and organizational agility

In this study, it was found that strategy flexibility has a positive and significant effect as a mediation between the effectiveness of entrepreneurial orientation and organizational agility. Table 7 shows that the static T is 18.454 > 1.960 and the P value is 0.000 < 0.060 so it is significant. The results of this research are the same as the study [18]. It can be seen from table 2 that all indicators of the strategy flexibility variable have a high value with the dimension of the entry of new services and alternatives. It can be concluded that a new strategy can add new innovations and increase the organization agility of the Company. This study confirms that strategic flexibility mediates the relationship between entrepreneurial orientation and organizational agility, as supported by dynamic capabilities theory. The ability to develop and implement alternative strategies, such as introducing new services, enhances organizational adaptability. Entrepreneurial orientation drives this flexibility by fostering an innovative mindset, which, in turn, contributes to greater agility. This finding underscores the importance of aligning entrepreneurial practices with strategic initiatives to achieve superior organizational performance.

Strategic flexibility as a mediation between competitive intelligence and organizational agility

In this study, it was found that strategy flexibility has a positive and significant effect as a mediator between competitive intelligence and organizational agility. Table 7 shows that the static T is 5.257 > 1.960 and the P value is 0.000 < 0.060 so it is significant. The results of this research are the same as the study [14]. It can be seen in table 2 that all

indicators of the strategy flexibility variable have a high value with the dimension of changing customer demand and interest. It can be concluded that with a new intelligence the company can change their strategy to change customer demand and interest so that this will increase the organizational agility of the company Strategic flexibility also mediates the relationship between competitive intelligence and organizational agility, reinforcing the principles of contingency theory. The capacity to adjust strategies based on changes in customer demands and interests is a direct result of effective competitive intelligence. By incorporating customer feedback and market trends, firms can develop adaptive strategies that enhance their agility. This underscores the need for organizations to invest in competitive intelligence systems to stay ahead in volatile markets and maintain sustainable growth.

Conclusion

The purpose of this study is to analyze the role of Entrepreneurial orientation and competitive intelligence in influencing strategic flexibility on organizational agility. Data is collected by distributing questionnaires online via google form with the target of employees who work in batam city hotels. It can be concluded that entrepreneurial orientation, competitive intelligence, strategic flexibility and organizational agility have a significant effect on the hotel industry. There are suggestions that the author wants to convey, namely that the questionnaire respondents collected are still not optimal because they only cover the batam area. Research can be better if data is taken from more and wider respondents so that the data obtained will be more accurate and precise. There are also other variables that can improve organizational performance such as organizational performance, HR management, talent management which have an important role in improving effective and efficient company performance. The questionnaire can also be distributed more widely and widely so that the data obtained is more accurate.

As organizations face increasingly volatile and unpredictable markets, their ability to adapt to change is essential for survival. In the hotel industry, in particular, businesses must

continuously innovate and respond rapidly to market dynamics. However, many organizations still struggle to align their strategic flexibility with the rapidly evolving competitive landscape. This gap highlights the urgency of understanding how EO and CI can bolster strategic flexibility and enhance organizational agility in today's fast-paced business environment. Although EO and CI have been studied separately in the context of organizational agility, there is limited research exploring how these factors jointly influence strategic flexibility, particularly in industries like hospitality. Furthermore, while some studies have looked into the individual effects of EO and CI, their combined impact in facilitating a flexible and agile strategy remains underexplored. This research addresses this gap by investigating the interplay between EO, CI, and strategic flexibility, and how they collectively contribute to organizational agility.

This study brings a novelty perspective by integrating Entrepreneurial Orientation and Competitive Intelligence as key enablers of strategic flexibility in the hotel industry. It also examines how these factors contribute to an organization's ability to adapt and thrive amidst external challenges. Unlike prior studies, this research applies a comprehensive model that not only analyzes EO and CI independently but also explores their synergistic effect on organizational agility through strategic flexibility. The findings of this research offer significant contributions to both academia and industry. Academically, it adds to the body of knowledge on the roles of EO and CI in strategic management, particularly in terms of their impact on organizational agility. For practitioners, the study provides actionable insights on how firms can develop their EO and CI capabilities to enhance strategic flexibility, thereby fostering agility and competitiveness in the marketplace. Additionally, the study highlights the importance of fostering a culture of innovation and competitive intelligence within the organization to stay ahead of the competition.

This study provides practical guidance for hotel management to enhance strategic flexibility and organizational agility. By strengthening entrepreneurial orientation through a culture of innovation and risk-taking and developing competitive intelligence capabilities to monitor the market, hotels can become more adaptive to dynamic business environments.

Additionally, investments in employee training and supporting technologies can accelerate organizational responses to changes and improve competitiveness.

This research expands the literature by integrating the roles of Entrepreneurial Orientation and Competitive Intelligence in supporting strategic flexibility as a mediator towards Organizational Agility. The study offers a fresh perspective relevant to the hospitality sector, emphasizing the interaction between EO and CI in management strategies and enriching theoretical discussions on organizational adaptability in service industries.

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