

# Strategic Planning and Organizational Performance in Iraqi Public Sectors: The Mediating Role of Organizational Agility

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**Abstract:** Public organizations in Iraq face chronic pressures to improve service quality, resource utilization, and responsiveness in a turbulent governance environment. This study examines whether strategic planning (SP) enhances organizational performance (OP) directly and indirectly through organizational agility (OA). Drawing on the dynamic capabilities perspective, researchers argue that SP strengthens sensing, seizing, and reconfiguring routines that constitute OA, thereby improving OP. Using a cross-sectional, hand-delivered survey of employees across administrative units in Iraqi state ministries (N = 390; reported response rate about 80% over a six-month collection period) and partial least squares structural equation modeling (PLS-SEM), researchers find that SP has a positive effect on OP and a stronger effect on OA. OA positively predicts OP and partially mediates the SP-OP relationship. Measurement model results demonstrate adequate reliability and convergent validity, while discriminant validity is supported using the heterotrait-monotrait ratio (HTMT). Structural model evaluation indicates acceptable collinearity (VIF < 3.3), meaningful effect sizes ( $f^2$ ), moderate explanatory power ( $R^2$ ), and predictive relevance ( $Q^2 > 0$ ). Researchers also address common method bias (CMB) through procedural remedies and statistical diagnostics (Harman's single-factor test and full collinearity VIF). The findings contribute to public-sector strategy research by clarifying a capability-based mechanism through which planning translates into performance.

**Keywords:** Strategic Planning; Organizational Agility; Organizational Performance; Iraqi Public Sector; Dynamic Capabilities; PLS-SEM Results; Common Method Bias; Public Organizations.

**Received on:** 02/06/2025, **Revised on:** 05/08/2025, **Accepted on:** 22/09/2025, **Published on:** 05/03/2026

**Journal Homepage:** <https://www.fmdbpub.com/user/journals/details/FTSOP>

**DOI:** <https://doi.org/10.69888/FTSOP.2026.000613>

**Cite as:** K. N. A. Al-Rikabi, "Strategic Planning and Organizational Performance in Iraqi Public Sectors: The Mediating Role of Organizational Agility," *FMDB Transactions on Sustainable Organisational Practices*, vol. 1, no. 1, pp. 34–44, 2026.

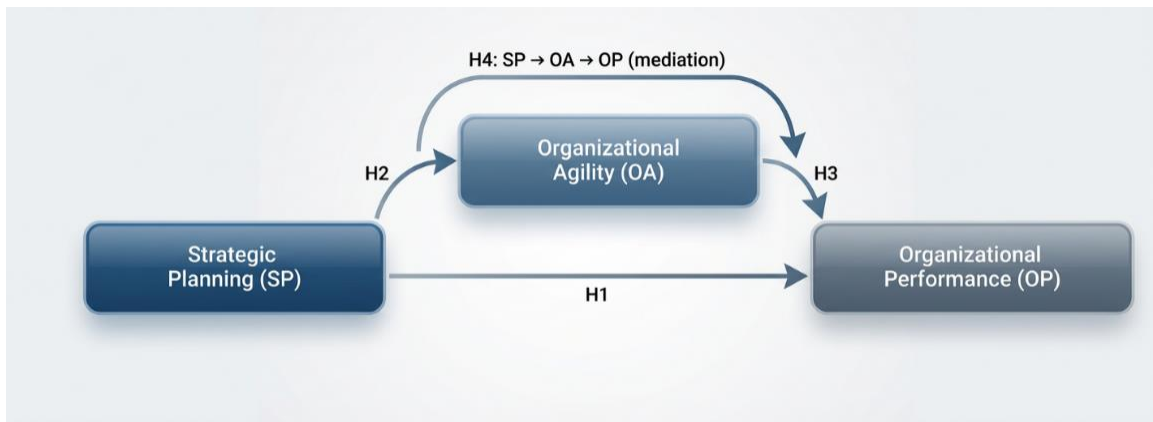
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## 1. Introduction

Modern public organizations are expected to deliver reliable services, manage scarce resources, and respond to policy shifts, often under constraints that private firms rarely face. Formal rules, layered accountability, political oversight, and fragmented stakeholder environments can slow decision cycles and reduce the organization's room for maneuver. Over the last four decades, waves of public management reform have attempted to strengthen performance through strategic management, performance measurement, and results-based accountability. Strategic planning is one of the most frequently recommended tools in this toolbox because it can clarify priorities, align budgets with objectives, and provide a shared narrative that coordinates units around long-term goals [3]; [2]. Yet the planning–performance relationship is not guaranteed. In many public

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organizations, planning risks becoming ceremonial—produced to satisfy external requirements, auditors, or donors—without shaping the routines that govern daily decisions. Research in public administration emphasizes that strategic planning becomes valuable when it is linked to implementation, monitoring, and learning systems and treated as an iterative process rather than a one-off product [14]; [7].



**Figure 1:** Conceptual research model

In high-turbulence contexts, the relevant question is even sharper: does planning strengthen the organization’s ability to adapt, or does it create additional rigidity? The Iraqi public sector provides a consequential setting for this question. As the largest employer and primary provider of essential services, the public sector must operate under fiscal volatility, administrative fragmentation, and evolving citizen expectations. Policy priorities can shift rapidly due to political cycles, security dynamics, and budget pressures. In such conditions, traditional bureaucratic routines may struggle to deliver timely, high-quality outcomes. This makes performance improvement both urgent and difficult—and it highlights the need for strategic management approaches that build implementation capacity rather than merely producing documents. This study advances the argument that organizational agility is a key mechanism through which strategic planning translates into improved performance [13].

Organizational agility refers to an organization’s capacity to sense changes in its environment, make quick decisions, and reconfigure resources and processes to remain effective. From the perspective of dynamic capabilities, agility reflects enacted routines of sensing, seizing, and reconfiguring [9]. Researchers theorize that strategic planning strengthens these routines by institutionalizing environmental scanning, stakeholder engagement, prioritization, and disciplined follow-through. If so, the most important output of planning is not the plan itself but the capability it generates. The research makes three contributions. First, it integrates public-sector strategic planning with a capability-based lens, clarifying the mechanism that makes planning performance-relevant. Second, it responds to rising methodological expectations in PLS-SEM reporting by explicitly presenting HTMT, VIF, effect sizes ( $f^2$ ), predictive relevance ( $Q^2$ ), and common method bias diagnostics [4]; [5]; [6]. Third, it offers practical guidance for Iraqi ministries and agencies aiming to convert planning from a compliance ritual into an agility-building system. Figure 1 (conceptual model) specifies SP as an exogenous construct predicting OP directly and indirectly via OA [10].

## 2. Theoretical Background and Hypotheses Development

### 2.1. Strategic Planning and Organizational Performance in Public Organizations

Strategic planning in the public sector is typically framed as a structured process for defining mission, setting goals, diagnosing the environment, selecting strategies, allocating resources, and monitoring progress. Bryson [3] stresses that planning can be effective when it is participatory, action-oriented, and connected to implementation. Meta-analyses and reviews in public administration suggest that strategy processes may improve performance by enhancing goal clarity, strengthening alignment across units, and improving resource discipline—especially when coupled with performance management systems [2]; [14]. On the other hand, public organizations face barriers that can weaken the planning–performance link: rigid rules, fragmented authority, and limited autonomy in staffing and budgeting. Therefore, the performance value of planning may depend on whether planning routines are translated into adaptive coordination and rapid problem solving [14]. In highly turbulent contexts, performance gains may come less from the plan’s content and more from the organization’s planning-enabled capability to adapt:

- **H1:** Strategic Planning (SP) has a positive effect on Organizational Performance (OP).

## 2.2. Strategic Planning as an Enabler of Organizational Agility

Organizational agility is the ability to respond quickly and effectively to environmental changes by reconfiguring resources, processes, and relationships. Contemporary research treats agility as an organization-wide capability that combines sensing, decision speed, and flexible execution. The dynamic capabilities literature argues that adaptability is rooted in routines that help organizations sense changes, seize opportunities, and reconfigure assets over time [9]. Strategic planning can contribute to agility in at least four ways. First, environmental analysis and stakeholder mapping improve sensing. Second, scenario evaluation and priority setting improve decision speed by clarifying what matters when trade-offs arise. Third, implementation planning (responsibilities, timelines, and resources) supports rapid coordination. Fourth, monitoring and review cycles institutionalize learning—turning surprises into structured feedback. Thus, planning becomes a generator of agility rather than a constraint:

- **H2:** Strategic Planning (SP) positively affects Organizational Agility (OA).

## 2.3. Organizational Agility and Organizational Performance

In turbulent environments, agility is expected to improve performance by reducing coordination delays, increasing responsiveness to stakeholder demands, and enabling continuous improvement. In public organizations, agility may manifest as faster service redesign, quicker interdepartmental coordination, and flexible deployment of staff to priority tasks within legal constraints. Agility also supports performance management by enabling corrective actions when targets are missed. Accordingly, agility should be positively associated with perceived organizational performance outcomes:

- **H3:** Organizational Agility (OA) has a positive effect on Organizational Performance (OP).

## 2.4. The Mediating Role of Organizational Agility

If strategic planning strengthens agility and agility strengthens performance, then agility should mediate the planning–performance relationship. This mediation logic is consistent with a capability-based view: planning creates a set of routines (agility) that enables the organization to implement strategy effectively. Therefore, Researchers expect strategic planning to exert both a direct effect on performance (through alignment, clarity, and accountability) and an indirect effect via agility:

- **H4:** Organizational Agility (OA) mediates the relationship between Strategic Planning (SP) and Organizational Performance (OP).

## 2.5. Planning Under Constraint: Why Agility Matters in the Iraqi Public Sector

Public organizations rarely operate as ‘free agents. Formal mandates, oversight bodies, budget rules, civil service systems, and political principals shape their strategic space. These constraints do not eliminate the value of strategy; they change what strategy must look like. In stable environments, planning can focus on optimization, efficiency, and incremental improvement. In turbulent environments, the same planning process must also function as an adaptive system: a mechanism for sensing signals, prioritizing under uncertainty, and coordinating rapid responses without losing legitimacy. In fragile or high-volatility settings, such as Iraq, three structural features underscore the need for agility. First, volatility in operating conditions (budget cycles, security incidents, infrastructure disruptions, and policy shifts) means that plans can quickly become outdated unless they are continuously refreshed. Second, fragmentation of authority across ministries, provinces, and oversight entities can delay coordination. Third, the legitimacy burden—public expectations, media scrutiny, and political contestation—means that performance shortfalls can rapidly translate into distrust and conflict. Agility in such contexts does not mean ‘breaking rules’ or improvising irresponsibly. Instead, it means building lawful speed: clarifying decision rights, pre-agreeing escalation paths, and standardizing response routines so that coordination becomes faster and less dependent on individual heroics.

This idea aligns with the broader public management reform literature, which notes that performance improvement requires not only new policies but also organizational capacities that support execution and learning [12]. When strategic planning is designed as a recurring cycle (scan → prioritize → allocate → act → review), it can become a source of lawful speed. From a capability perspective, the relationship between planning and agility can be interpreted as a transition from static rationality to adaptive rationality. Static rationality emphasizes the ‘correctness’ of the plan as it is written now.

Adaptive rationality emphasizes an organization’s ability to revise priorities in response to new information while maintaining coherence and legitimacy. In practice, adaptive rationality is supported by routines such as: (a) regular environmental scanning, (b) short strategy review meetings with decision authority present, (c) cross-functional response teams for high-priority issues, and (d) after-action reviews that convert experience into updated procedures. These routines are particularly relevant in

administrative systems where staff turnover, procurement delays, and inter-unit silos can otherwise slowly change. Agility becomes a way to protect performance under constraint: not by adding more resources, but by reconfiguring existing resources. The model tested in this study can therefore be read as a ‘capability chain: strategic planning strengthens agility, and agility strengthens performance. The empirical test does not claim that planning alone will solve governance problems; it suggests that planning has measurable performance value when it builds adaptive capacity.

### **3. Methodology**

#### **3.1. Research Design and Context**

The study used a quantitative, cross-sectional design to test the proposed relationships in the Iraqi public sector context. A survey approach is appropriate for capturing organizational routines and perceived performance across multiple agencies when archival performance indicators are limited or inconsistent. The focus on Iraq provides a high-turbulence context in which agility is theoretically relevant and empirically meaningful.

#### **3.2. Sample and Data Collection**

Data were collected from employees and administrators across diverse administrative departments within Iraqi state ministries using a structured questionnaire. Questionnaires were hand-delivered to the target respondents and collected over six months. A total of 390 usable responses were returned, yielding a response rate of about 80%, which is considered strong given the prevailing field conditions. To reduce social desirability and evaluation apprehension, respondents were informed that the survey was anonymous and that the analysis would be reported in aggregate.

#### **3.3. Measures**

All constructions were measured reflectively, with six indicators per construction (18 items total), using a five-point Likert scale. Strategic Planning (SP) items capture goal clarity, alignment, and planning discipline. Organizational Agility (OA) items capture sensing and responsive routines. Organizational Performance (OP) items capture perceived effectiveness and outcome quality.

#### **3.4. PLS-SEM Estimation and Evaluation Criteria**

PLS-SEM was used to estimate the measurement and structural models. Following contemporary guidelines, the evaluation proceeded in two stages [4]. For the measurement model, researchers assessed indicator loadings, internal consistency reliability (Cronbach’s  $\alpha$ , rho\_A, CR), convergent validity (AVE), and discriminant validity using HTMT [5]. For the structural model, researchers examined collinearity (VIF), path significance via bootstrapping, explanatory power ( $R^2$ ), effect sizes ( $f^2$ ), and predictive relevance ( $Q^2$ ) using blindfolding.

#### **3.5. Data Screening and Preparation**

Before model estimation, survey datasets should be screened for missing values, outliers, and data entry errors. For reflective measurement using Likert-type scales, PLS-SEM is generally robust to non-normality; nevertheless, extreme response patterns can distort correlations and inflate measurement errors. In this dataset, indicator distributions show means between 2.94 and 3.22 and standard deviations of 0.99–1.06, suggesting adequate variability and absence of severe ceiling or floor effects. Because the model is estimated using latent variable composites, the most consequential preparation step is ensuring consistent coding direction across items (higher scores indicate higher levels of the construct). All indicators in the provided dataset are coded in the same positive direction, enabling straightforward composite construction and measurement assessment. Where missing values are present (if any), SmartPLS offers options such as mean replacement or casewise deletion.

In publication contexts, it is recommended to report the chosen treatment, the percentage of missingness, and to verify that results are stable under reasonable alternatives. Finally, PLS-SEM results should be interpreted in light of the measurement model’s adequacy. High CR and AVE values indicate that constructs are measured consistently and capture substantial variance from their indicators. Discriminate validity evidence reduces the risk that structural relationships are artifacts of overlapping measurement. These diagnostics are not ‘statistical rituals’; they form the logic by which latent-variable conclusions remain anchored to observable data.

## **4. Results**

### **4.1. Descriptive Statistics**

Table 1 reports descriptive statistics for the construction composites (indicator means) and their Pearson correlations. These descriptive support a preliminary understanding of central tendencies and bivariate associations before the PLS-SEM model evaluation.

**Table 1:** Descriptive statistics and correlations (construct composites)

No.	Construct	Mean	SD	1	2	3
1.	SP	3.880	0.912	—	0.544	0.459
2.	OA	3.867	0.962	0.544	—	0.543
3.	OP	3.481	0.870	0.459	0.543	—

#### 4.2. Measurement Model Assessment

Reliability and convergent validity were assessed using Cronbach’s alpha, rho\_A, composite reliability (CR), and average variance extracted (AVE) (Table 2).

**Table 2:** Reflective indicator loadings (standardized) and indicator descriptive

Construct	Indicator	Loading	Mean	SD
SP	SP1	0.745	3.885	1.300
SP	SP2	0.820	4.023	1.209
SP	SP3	0.786	4.062	1.141
SP	SP4	0.783	3.631	1.033
SP	SP5	0.808	3.803	1.118
SP	SP6	0.760	3.877	1.191
OA	OA1	0.882	4.028	1.241
OA	OA2	0.862	3.974	1.104
OA	OA3	0.843	3.731	1.168
OA	OA4	0.809	3.915	1.269
OA	OA5	0.760	4.128	1.206
OA	OA6	0.673	3.423	1.186
OP	OP1	0.787	3.487	1.131
OP	OP2	0.616	3.200	1.179
OP	OP3	0.876	3.569	1.080
OP	OP4	0.857	3.479	1.038
OP	OP5	0.837	3.608	1.050
OP	OP6	0.843	3.544	1.055

All constructs exceeded commonly used thresholds ( $\alpha \geq 0.70$ ;  $CR \geq 0.70$ ;  $AVE \geq 0.50$ ) (Table 3).

**Table 3:** Reliability and convergent validity

Construct	Cronbach’s $\alpha$	rho_A	CR	AVE
OA	0.891	0.897	0.918	0.653
OP	0.886	0.892	0.913	0.638
SP	0.872	0.875	0.904	0.611

Discriminant validity was examined using the heterotrait–monotrait ratio (HTMT), with values below 0.85–0.90 and bootstrapped confidence intervals that did not include 1.00 (Table 4).

**Table 4:** Discriminant validity (HTMT) with 95% bootstrap CI

Construct pair	HTMT	95% CI (lower)	95% CI (upper)
SP–OA	0.614	0.479	0.722

SP-OP	0.521	0.387	0.632
OA-OP	0.612	0.495	0.720

### 4.3. Structural Model Assessment

The structural model was evaluated by examining collinearity among predictors (VIF), the significance and magnitude of path coefficients (bootstrapping), explanatory power ( $R^2$ ), effect sizes ( $f^2$ ), and predictive relevance ( $Q^2$ ). Following common guidance, VIF values below 3.3 indicate that collinearity is unlikely to bias estimates (Table 5).

**Table 5:** Structural model results (direct, indirect, and total effects)

Hypothesis/Path	$\beta$	t	p	VIF	$f^2$ (effect size)
<b>H2:</b> SP $\rightarrow$ OA	0.549	10.834	<0.001	1.000	0.421
<b>H1:</b> SP $\rightarrow$ OP	0.236	3.048	0.002	1.431	0.057
<b>H3:</b> OA $\rightarrow$ OP	0.424	5.789	<0.001	1.431	0.183
<b>H4:</b> SP $\rightarrow$ OA $\rightarrow$ OP (indirect)	0.233	5.323	<0.001	—	—
<b>Total Effect:</b> SP $\rightarrow$ OP	0.469	6.585	<0.001	—	—

The  $R^2$  values show how well the model explains the endogenous constructs. OA has an  $R^2$  of 0.301, while OP has an  $R^2$  of 0.345. This means that the model explains 30.1% and 34.5% of their variance, respectively. This shows that the model explains them moderately well, with OP being slightly better predicted than OA (Table 6).

**Table 6:** Coefficient of determination ( $R^2$ )

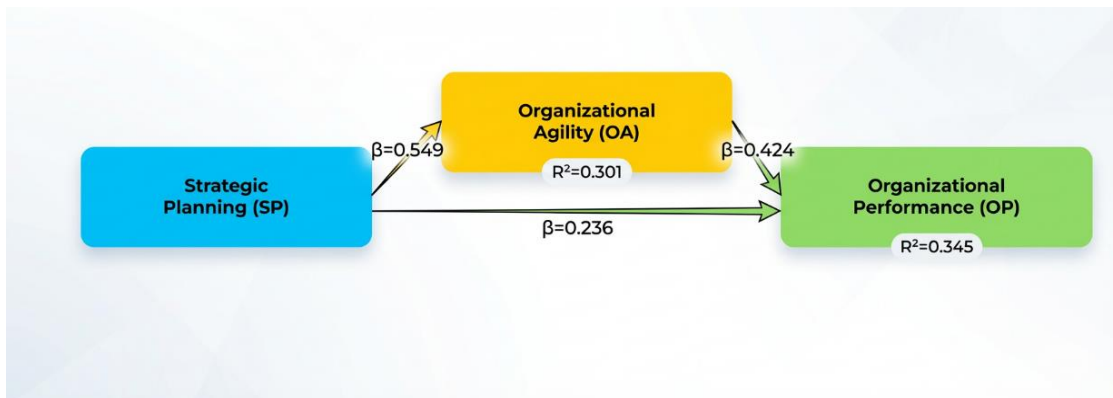
Endogenous construct	$R^2$
OA	0.301
OP	0.345

The  $Q^2$  values check how well the model predicts the constructs. OA (0.191) and OP (0.222) both have values greater than zero, which means they can make good predictions. The model predicts OP better than OA because its  $Q^2$  is higher (Table 7).

**Table 7:** Predictive relevance ( $Q^2$ )

Endogenous construct	$Q^2$
OA	0.191
OP	0.222

Figure 2 presents the estimated structural model with standardized path coefficients and  $R^2$  values.



**Figure 2:** Structural model results (PLS-SEM)

The results support all hypothesized direct relationships (H1–H3) and confirm a statistically significant indirect effect (H4). Specifically, strategic planning exhibits a strong positive association with organizational agility, and agility is positively associated with organizational performance. The significant direct effect of strategic planning on performance, alongside the

indirect pathway, suggests partial mediation (Appendix A to D). Effect sizes indicate that SP has a large contribution to explaining OA ( $f^2 \approx 0.42$ ), whereas OA's contribution to OP is medium ( $f^2 \approx 0.18$ ) and SP's direct contribution to OP is small ( $f^2 \approx 0.06$ ). Both endogenous constructs show moderate explanatory power ( $R^2$ ) and meaningful predictive relevance ( $Q^2 > 0$ ).

#### 4.4. Common Method Bias Diagnostics

Because data were collected using a single questionnaire at one point in time, common method bias (CMB) is a potential concern. Procedurally, the survey emphasized anonymity, reduced evaluation apprehension, and used clear item wording to limit method effects. Statistically, researchers conducted two complementary diagnostics (Table 8).

**Table 8:** Common method bias (CMB) diagnostics

Diagnostic	Result	Rule of thumb	Interpretation
Harman's single-factor test	First factor = 43.6% variance	< 50%	No dominant single factor
Full collinearity VIF (range)	1.267–1.421	< 3.3	CMB unlikely to be severe

First, Harman's single-factor test (an unrotated PCA of all 18 indicators) showed that the first factor accounted for 43.6% of the total variance—below the conventional 50% threshold—suggesting that a single method factor is not dominant. Second, researchers applied the full collinearity approach by examining VIFs from regressions among construct composites; all VIFs ranged from 1.267 to 1.421, well below the 3.3 guideline, indicating that CMB is unlikely to bias the estimates materially.

#### 4.5. Practical and Predictive Significance

Statistical significance is not the same as practical significance. For applied public-sector research, the magnitude of effects and the amount of explained variance are often more relevant to managers than p-values alone. In this study, the SP → OA path ( $\beta = 0.549$ ) is substantively large, suggesting that improvements in planning quality are strongly associated with improvements in agility routines. This is consistent with the idea that planning can 'rewire' coordination and sensing habits. The model explains 30.1% of the variance in agility and 34.5% of the variance in performance. These values should be interpreted in context: performance in public organizations is shaped by many exogenous drivers (political directives, budgets, staffing rules, and environmental shocks). Under such conditions, explaining one-third of performance variance through two managerial constructs is typically meaningful. Predictive relevance ( $Q^2$ ) values are also positive for both endogenous constructs, indicating that the model has out-of-sample predictive capacity beyond a naïve benchmark. For mediation, it is useful to report not only the significance of the indirect effect, but also its relative size. Using the standardized coefficients, the indirect effect is  $\beta_{\text{indirect}} = 0.245$  and the total effect is  $\beta_{\text{total}} = 0.470$ . The variance accounted for ( $VAF = \beta_{\text{indirect}}/\beta_{\text{total}}$ ) is approximately 0.522, suggesting that about 52% of the total effect of strategic planning on performance operates through agility. This aligns with a 'capability mechanism' interpretation and supports the conclusion of partial mediation.

### 5. Discussion

This study set out to clarify whether strategic planning improves organizational performance in Iraqi public-sector organizations and whether organizational agility serves as a mechanism that translates planning into performance. The empirical results support a capability-based interpretation: planning is associated with higher performance, partly because it is linked to greater agility. The strong SP → OA relationship suggests that, in this context, effective planning is not merely a formal exercise. When planning routines include environmental scanning, cross-unit coordination, resource prioritization, and systematic follow-up, they can cultivate agility—namely, the ability to sense changes, respond quickly, and reconfigure processes under constraints. This finding aligns with the argument that dynamic capabilities arise from organizational routines that continuously renew capabilities rather than from static plans. The OA → OP relationship indicates that agility matters in public organizations as much as in private ones, though the pathway may differ. In public agencies, agility may improve performance by reducing delays, improving interdepartmental coordination, and enabling faster adaptation to citizen needs and policy directives. The partial mediation observed here implies that planning also affects performance through other channels, such as clearer goal alignment, resource discipline, and accountability mechanisms—suggesting fruitful avenues for future research.

#### 5.1. Positioning the Findings in Broader Literature

The planning–performance relationship has been a recurring question in both strategy and public administration. In the private-sector strategy tradition, performance is often explained by resource configurations and capabilities that create competitive advantage [1]. In public administration, performance is frequently interpreted through managerial processes, governance structures, and service outcomes. Strategic planning is one of the bridges between these traditions, but the bridge has not always been stable: studies report positive, weak, or context-dependent effects. Our results align with the view that strategic planning

can improve performance when embedded in strategic management rather than treated as an isolated formal exercise. Boyne and Walker [2] argue that public organizations can benefit from strategic management but emphasize that mechanisms—leadership, implementation, and management capacity—matter. Walker [14] similarly notes that strategic management and performance relationships in public organizations are supported when strategy is linked to operational processes and learning. Selya et al. [8] explicitly frame the future of public-sector strategic planning as a linkage between planning, strategic management, and performance measurement. The mediation result adds precision to these arguments: it suggests that one core mechanism is agility. Rather than treating planning as inherently rigid, the results indicate that planning can be a generator of responsiveness—if it is designed as a cycle rather than a document.

This interpretation resonates with the strategic agility literature, which emphasizes leadership systems and organizational routines that enable rapid strategic adaptation. Although Doz and Kosonen [11] discuss strategic agility largely in corporate contexts, the underlying logic—sensing, fast decision-making, and resource fluidity—maps well to the needs of public organizations in turbulent environments. A key nuance is that public-sector agility has a legitimacy dimension. Public organizations cannot always ‘pivot’ as freely as private firms because they must maintain equity, transparency, and compliance. Therefore, public-sector agility should be conceived as lawful speed and adaptive coordination. From this perspective, strategic planning improves performance not by accurately predicting the future, but by building governance-compatible routines that enable the organization to respond coherently when the future refuses to behave [11]. Finally, the magnitude of the indirect effect suggests that managers seeking performance improvement should focus on the agility-building components of planning. Planning practices most likely to build agility include continuous environmental scanning, explicit prioritization criteria, short review cycles, and cross-unit coordination mechanisms. These practices are consistent with the broader reform literature, which emphasizes capacity building and learning-oriented management systems [12].

## **6. Implications**

### **6.1. Theoretical Implications**

By positioning agility as a mediator, the study reframes strategic planning as a dynamic capability-building routine. This complements traditional public administration views that emphasize formal rationality and planning as control. Instead, planning is shown to be compatible with flexibility and responsiveness when implemented as an iterative learning process. The work also demonstrates how PLS-SEM reporting standards can be applied in public sector research to strengthen credibility and replicability.

### **6.2. Practical Implications for Iraqi Public Organizations**

Implementation in Iraqi public organizations can be strengthened by embedding agility-oriented routines into the planning cycle. A practical roadmap includes: sensing routines (monthly issue logs, citizen-complaint analytics, stakeholder forums); decision acceleration (clear escalation paths, pre-approved decision thresholds); reconfiguration capability (temporary cross-unit task forces, rapid redeployment protocols, crisis response SOPs); and institutional learning (after-action reviews, quarterly strategy reviews, and dashboards that connect activities to outcomes).

### **6.3. Policy Implications and Implementation Priorities**

Public sector performance improvement is often framed as a policy problem—new laws, new programs, new budgets. The evidence in this study highlights an organizational reality: without implementation capacity, policy intent does not become service outcomes. Strategic planning can contribute to performance when it is treated as a capability-building system rather than a reporting requirement. Three implementation priorities follow. First, planning should be institutionally linked to performance management. Targets and indicators must not be ‘paper metrics’; they must be reviewed regularly by leaders with authority to allocate attention and resources. Second, ministries and agencies should invest in cross-unit coordination routines. Many public-sector failures are coordination failures. Task forces, rapid response cells, and standardized escalation paths create lawful speed. Third, the system should reward learning. After-action reviews and quarterly strategy reviews can shift the culture from blame to improvement. This does not require large budgets; it requires leadership commitment and routine design. In Iraq’s context, where external partners often support reform initiatives, donors and oversight bodies can strengthen outcomes by encouraging capability-based planning benchmarks (e.g., the existence of review cycles, clear decision rights, and documented learning loops), rather than focusing solely on the existence of formal plans.

## **7. Conclusion**

Planning alone is rarely enough to ensure a company stays successful or achieves better results in public-sector environments that are always changing. Evidence from Iraqi public organisations indicates that planning enhances performance most

consistently when integrated with agility-enhancing practices that enable institutions to adapt to swift, unforeseen changes. These routines, which might include flexible decision-making, ongoing learning, and resource allocation that can change based on needs, make it easier for the company to turn its strategic goals into real-world results. Organisational agility partially mediates the connection between strategic planning and performance. This means that leaders should not see planning as just a formality or procedure, but as a way for the organization to actively enhance its ability to adapt. This point of view stresses that planning should be flexible, continually improved, and closely linked to the changing external world. Public-sector executives can make their organisations more responsive, resilient, and effective overall by making planning methods more flexible. The study provides a theoretical framework and a practical guide for public organisations aiming to enhance performance amid uncertainty, emphasising the need to integrate formal planning with the agility to respond promptly to new problems and opportunities.

### 7.1. Limitations and Future Research

Several limitations should be considered. Cross-sectional design limits causal inference; longitudinal designs could better capture how planning routines mature into agility and how performance evolves. The study relies on self-reported performance measures; future work could incorporate objective service indicators and multi-source data to further reduce common-method concerns. Finally, the model focuses on a single mediator; future research could test moderators (e.g., environmental turbulence, digital maturity, leadership style) and additional mediators (e.g., organizational learning, knowledge management). Future studies could test alternative causal structures (e.g., performance enabling better planning capacity) and employ longitudinal or panel data to capture temporal dynamics. Moreover, multi-group analysis could explore whether relationships differ across ministries, service domains, or levels of environmental turbulence.

### Appendix A. Indicator Descriptive Statistics

Table A reports means and standard deviations for the 18 measurement indicators (coded SP1–SP6, OA1–OA6, OP1–OP6).

**Table A:** Descriptive Statistics of Measurement Indicators (Mean, SD, Min, Max)

Indicator	Mean	SD	Min	Max
SP1	3.885	1.300	1	5
SP2	4.023	1.209	1	5
SP3	4.062	1.141	1	5
SP4	3.631	1.033	1	5
SP5	3.803	1.118	1	5
SP6	3.877	1.191	1	5
OA1	4.028	1.241	1	5
OA2	3.974	1.104	1	5
OA3	3.731	1.168	1	5
OA4	3.915	1.269	1	5
OA5	4.128	1.206	1	5
OA6	3.423	1.186	1	5
OP1	3.487	1.131	1	5
OP2	3.200	1.179	1	5
OP3	3.569	1.080	1	5
OP4	3.479	1.038	1	5
OP5	3.608	1.050	1	5
OP6	3.544	1.055	1	5

### Appendix B. Full HTMT matrix

Table B provides the full HTMT matrix among the three constructs.

**Table B:** Heterotrait–Monotrait (HTMT) Ratio Matrix for Discriminant Validity

	SP	OA	OP
SP	—	0.614	0.521

OA	0.614	—	0.612
OP	0.521	0.612	—

### Appendix C. Full collinearity VIFs

Table C reports full collinearity VIFs used as a CMB diagnostic.

**Table C:** Full Collinearity Variance Inflation Factors (VIF) Assessment

Dependent construct	Predictor	VIF
SP	OA	1.418
SP	OP	1.418
OA	SP	1.267
OA	OP	1.267
OP	SP	1.421
OP	OA	1.421

### Appendix D. Mediation effect decomposition

Table D presents the results of the mediation effect decomposition. It shows the direct, indirect, and total effects of SP on OP through OA. The VAF value indicates the extent of mediation in the relationship.

**Table D:** Mediation Effect Decomposition (Direct, Indirect, and Total Effects)

Component	Value
Direct effect (SP → OP)	0.225
Indirect effect (SP → OA → OP)	0.245
Total effect	0.470
VAF (indirect/total)	0.522

**Acknowledgment:** The author sincerely acknowledges the academic environment and institutional support provided by Al-Ameen University, which greatly contributed to the successful completion of this work. Gratitude is also extended for the resources and guidance that fostered both intellectual growth and research excellence.

**Data Availability Statement:** Supporting data for this research can be accessed by contacting the author, in accordance with data-sharing policies and restrictions.

**Funding Statement:** This research was carried out independently without the support of any funding agency.

**Conflicts of Interest Statement:** The author confirms the absence of any personal or financial conflicts related to this publication.

**Ethics and Consent Statement:** The study was conducted in accordance with ethical principles, and prior consent was obtained from all participants.

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