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## HOW DOES ORGANIZATIONAL STRUCTURE IMPACT THE RELATIONSHIP BETWEEN ORGANIZATIONAL AGILITY AND CUSTOMER SATISFACTION?

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### Abstract

By applying organizational agility practices, organizations, especially, banks can achieve better customer satisfaction and centricity along with the ability to adapt their structure. This study investigates the direct relationship between organizational agility and customer satisfaction as well as the moderating effect of organizational structure on the organizational agility and customer satisfaction relationship. The study is cross-sectional based on using 33 Likert-scale items to design a questionnaire, which is distributed to 430 employees and managers working in the commercial banks of Jordan. By adopting SPSS, exploratory factor analysis is used to validate the study's variables; multiple linear regression and process macro tool are used to test the study's hypotheses. The findings show that organizational agility in terms of sensing, responsiveness, acting, and reconfiguration affects customer satisfaction. Moreover, all organizational agility factors affecting customer satisfaction are moderated by formalization while organic structure moderates only the relationship between two factors of organizational agility and customer satisfaction. Overall, the study found that while organizational agility may impact customer satisfaction, ultimately, its potential to achieve superior customer satisfaction is conditioned by the organizations' ability to adjust their internal structures. The contribution of this study lies in the moderation effect of organizational structure, which provides researchers and practitioners with an insight into competitively utilizing organizational structure.

**Keywords:** *Organizational Agility, Organizational Structure, Customer Satisfaction, Jordanian Commercial Banks, Organic Structure, Formalization*

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## 1. INTRODUCTION

Organizational agility includes several capabilities that enable organizations to cope with any unpredictable changing environments. In other words, organizations cannot succeed unless they are capable to sense, adapt, and respond to different sources of alterations. Due to the vital role of Jordan's banking sector in financial development and economic growth, it becomes crucial for banks to sense and respond to these challenges as quickly as possible by adopting the practices of organizational agility. Agility is defined as aligning technology, people, and management to respond to the changeable demands of customers (Majlesi and Sajjad, 2015). Gligor et al. (2020) found that agility has a direct link with customer satisfaction. This study assumes that organizational agility capabilities have a direct influence on customer satisfaction, which is an important measure of organizational success. According to Yusuf et al. (1999), customer satisfaction is one of the goals that agility can achieve by reallocating resources and utilizing knowledge. Accurately meeting fluctuating requirements in a timely manner is considered to be one of the functions of agility (Katayama and Bennett, 1999).

Based on the studies of Goldman et al. (1995) and Kettunen (2009), organizational agility affects all organizations' practices through organizational structure. Some previous studies found that organizational structure dimensions such as centralization, stratification, formalization, and participation have an impact on both organizational agility and customer satisfaction (e.g. Al-Hakim et al., 2017, Felipe et al., 2016, Rashidi et al., 2014, Ahmadi et al., 2012, Saddique et al., 2013, Auh and Menguc, 2007). On the other hand, it has been argued that organizational structure whether organic or mechanistic might change the relationship between organizational agility and some other output variables (e.g., Goldman et al., 1995; Reed and Blunsdon, 1998; Felin, 2015; Worley and Lawler, 2010) but there isn't a study conducted to find quantitative results.

Briefly, the researcher aims to fill the gap in the literature through a profound search of previous studies and quantitative results. Few studies explained the relationship between agility and customer satisfaction. For instance, Barve (2011) found that supply chain agility impacts customer satisfaction. Moreover, Zhang et al. (2005) revealed that flexible logistics capability positively affects customer satisfaction. In their study, logistic flexibility is a part of the organization's responsiveness, which is a crucial capability of an agile organization. Kish and Rojuee (2016) found that organization agility and customer satisfaction have a positive and

significant relationship. Anyway, the researcher didn't find a comprehensive study demonstrating the role of organizational structure on the direct relationship between organizational agility and customer satisfaction. Therefore, this study aims to find the conditional impact of organizational structure on the relationship between organizational agility and customer satisfaction. Precisely, the study investigates how organizational structure might moderate the influence of agility on customer satisfaction.

## **2. LITERATURE REVIEW**

### **2.1. Agility and Customer Satisfaction**

According to Hill et al. (2007), satisfaction briefly describes how customers feel when interacting with a firm. Hunt (1977) assumed that customers are satisfied when a company's actual performance meets at minimum the expected performance. Several factors have been studied as causes of customer satisfaction, which lead to a consensus view that expectation, service quality, price, reputation, customer value, and information technology are critical factors that influence customer satisfaction (Ho and Zheng, 2004; Hess et al., 2003; Aydin et al., 2005; Robbins et al., 2015; Wahjudi et al., 2018; Jain and Aggarwal, 2017; Hur et al., 2013; Alabar and Agema, 2014)

Organizational agility that also represents a potential effect on customer satisfaction is the firm's ability to interact with its customers and stakeholders (Sambamurthy et al., 2003). Agile organizations can react to changes and keep satisfying their customers (Yauch, 2011). Swafford et al. (2006) argue that reducing manufacturing costs, satisfying customers, and the ability to develop new product or service are some consequences of organizational agility. Lin et al. (2006) explained that increasing customer satisfaction, reducing manufacturing costs, and eliminating the non-value-added practices result from the organizational agility practices.

Agile organizations spend efforts to satisfy their customers using different mechanisms, such as, change management, communication, quick responsiveness, and reconfiguration. Researchers argue that these organizations not only look for selling their product, but also innovate the techniques that corporate information technology, people, and all organizations' parties to fulfill customers' requirements (Dalvi et al., 2013). Yusuf et al. (1999) stated that customer satisfaction is a one-goal that agility can accomplish by reconfiguring its resources and using knowledge.

Using interpretive structural modeling, Barve (2011) suggests that supply chain agility

impacts customer satisfaction. Moreover, Zhang et al. (2005) find that flexible logistics capability positively affects customer satisfaction. In their study, logistic flexibility is a part of the organization's responsiveness, which is a crucial capability of an agile organization. Kish and Rojuee (2016) found that organization agility and customer satisfaction have a positive and significant relationship. Using regression analysis, Kish and Rojuee conclude that the speed dimension of organizational agility has the most significant influence on customer satisfaction.

Mirabi et al. (2018) adopted the structural equation modeling technique with partial least squares methodology to find that the agile supply chain in terms of speed, competence, flexibility, and responsiveness influences customer satisfaction.

Moreover, Nyachanchu et al. (2017) found that dynamic capabilities such as sensing, seizing, and reconfiguration influence firm performance, including profitability, growth in sales, and market share, customer satisfaction, employee satisfaction, environmental performance, and social performance.

The director of the Center for Information Systems Research at the Massachusetts Institute of Technology (MIT), Peter Weill, argues that customer satisfaction is one of the primary profitability sources in the current competitive environment. He furthered that "If you are not agile, you cannot do it, because customer expectations are never static." (Glenn, 2009). Based on the above arguments, the following hypothesis is addressed to fill the literature gap.

**H1:** Organizational Agility (Sensing agility, Decision Agility, Acting Agility) has a significant effect on Customer Satisfaction.

## **2.2. Organizational Agility, Organizational Structure, Customer Satisfaction**

Preiss et al. (1996) points out the importance of organizational structure in creating an agile enterprise. Felin (2015) argues that organizations require a new strategy and structure which enable agility in the light of a volatile environment. Reed and Blunsdon (1998) explain that organizational agility requires a conforming between organizational structure and processes to cope with environmental dynamics.

Thompson (2003) proposed that organizations need to be open in order to adapt and survive. The instability and uncertainty of the current environment urge organizations to change the old tactics of managing their business. Worley and Lawler (2010) wrote: "The complexity, unpredictability, and instability of environmental change seem to have outpaced our traditional

organization design approaches and concepts.”

Organizations realize the importance of being quick and responsive, but many do not have the right structure to do so (Ambrose and Morello, 2004). The flexible structure is the best for practicing agility. Flexible structure allows the organizations to make quick decisions and distribute authority when possible, and it activates the collaboration between the organizations’ members (Wendler, 2014).

According to “Organization Agility”, a study conducted by Harraf et al. (2015), the organizational agility framework has been developed based on ten bases, which are a culture of innovation, empowerment, tolerance or ambiguity, vision, change management, organizational communication, market analysis and response, operations management, structural fluidity, and learning organizations. This study argues that organizational structure can build communication channels that enhance flexibility and responsiveness, which, in turn, improve organizational performance.

Rashidi et al. (2014) used eight dimensions of organizational structure to investigate the effect of organizational structure on organizational agility in governmental organizations. They found that all dimensions of organizational structure influence organizational agility. Specifically, they found that formalization, centralization, hierarchy of authority, and complexity have a negative impact on agility dimensions, while professionalism, standardization, personnel ratio, and specialization have a positive effect on organizational agility. They suggest that organizations have to employ highly educated people and promote them through specialized training courses to get their jobs done well. Besides, organizations have to allow their employees to access information and databases to encourage learning and align the number of employees in various departments with each department’s needs (Rashidi et al., 2014).

Ahmadi et al. (2012) concluded that there is a significant relationship between organizational agility and formalization and centralization dimensions of organizational structure. According to previous studies, organizational agility may not affect organizational success because of the nature of organizational structure (Fateme et al., 2013). In other words, the organizational structure moderates the firm’s performance effects of organizational agility (sensing, seizing, and reconfiguring resources) (Wilden et al., 2013). Moreover, whether mechanistic or organic, the structure can influence managers' ability to make timely decisions

( Haller, 2009).

Besides the effect of organizational structure on organizational agility, it has been found that organizational structure affects customer satisfaction. Saddique et al. (2013) found a relationship between organizational structure (decentralization, formalization, and specialization) and customer satisfaction. The moderating and the direct effect of formalization and centralization are studied concerning customer orientation and firm performance by Auh and Menguc (2007), where customer orientation measures the extent to which a company satisfies its customers. They found that formalization has a positive impact on customer orientation; on the other hand, centralization has a negative impact. It has also been found that decentralization and formalization moderate customer orientation's effect on firm performance (Auh and Menguc, 2007).

In light of the above, this study claims that organizational structure moderates the influence of organizational agility on customer satisfaction by suggesting the following main hypothesis:

**H2:** Organizational Structure moderates the influence of Organizational Agility on Customer Satisfaction.

### **3. RESEARCH METHODOLOGY**

This study's model is developed by reviewing existing studies (figure 1). In line with the model, the study hypotheses are developed to test the relationships between the constructs. This study depended on the multiple linear regression models to test the direct relationship between organizational agility and customer satisfaction. For testing the moderation effect of organizational structure, the process macro tool is used.

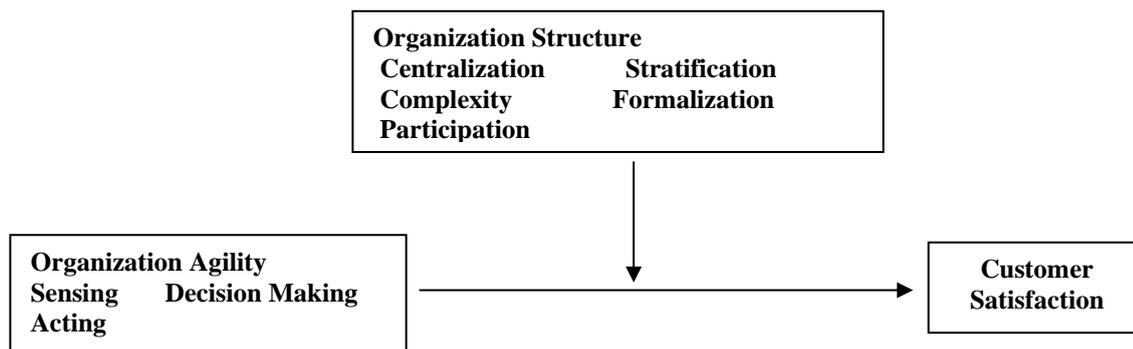
The study used a 5 Likert-scale questionnaire to collect individual-level data. Therefore, for measuring organizational agility in this study, Park's (2011) questionnaire is adopted with 15 items divided into three factors, which are sensing agility, decision agility, and acting agility. Customer satisfaction seven items are adopted from Galbreath (2010). Eleven items divided into five factors (centralization, complexity, participation, formalization, and stratification) are used from Kim's (2005) study to measure organizational structure.

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**Figure 1.** The Study Model



The study population consists of employees and managers working in the commercial Banks of Jordan, which are (12,493) in total as indicated by the Association Banks of Jordan. To collect the data for the study, individualized questionnaires over a period of three months were distributed to a random sample consisting of managers and employees working at different commercial banks in Jordan. The sample size is calculated based on the random sampling method, with a 95% confidence level. Only 6 banks accepted to answer the questionnaires. 430 individualized answered questionnaires are collected over 3 months by visiting the banks physically. 30 incomplete questionnaires are excluded from the analysis. Thus, 400 questionnaires remain to represent the study population.

## 4. STATISTICAL ANALYSIS

### 4.1. Demographic Data Analysis

In order to explore the study sample, descriptive statistics are conducted including gender, age, education, experience, and job title listed in Table 1.

**Table 1.** Demographic Profile of Sample

			Frequency	Percentage
<b>Gender</b>	Female	215	53.8	
	Male	185	46.3	
<b>Age</b>	26 or less	85	21.3	
	27 to 35	193	48.3	
	36 to 45	104	26	
	46 and more	18	4.5	
<b>Education</b>	College Degree	29	7.2	
	Bachelor's degree	330	82.5	
	Graduate degree	41	10.3	
<b>Experience</b>	5 years and less	100	25	
	6 to 10 year	207	51.7	
	11 to 15 year	82	20.5	
	16 years and above	11	2.8	
<b>Job Title</b>	Branch manager	38	9.5	
	Office manager	54	13.5	
	Branch Supervisor	49	12.3	
	Head of Department	80	20.0	
	Subordinate	179	44.8	

### 4.2. Factor Analyses

#### 4.2.1. Factor Analysis - Organizational Agility

Factor analysis of organizational agility returned four components instead of the three dimensions of Park (2011) questionnaire named Decision Agility, Sensing Agility, Acting Agility, and Reconfiguration Agility. The four dimensions' cumulative variance is 73.218 % (Table 2). Regarding the Reliability test, table 1 shows that alpha values ranged from 0.744 to 0.929.

**Table 2.** Factor Analysis and Reliability Results of Organizational Agility

Factor / Item	Factor Loading	Variance (%)	Alpha
Decision Agility		23.790	.880
DA_4	.833		
DA_3	.814		
DA_1	.800		
DA_2	.799		
DA_5	.768		
Sensing Agility		18.004	.929
SA_1	.936		
SA_3	.922		
SA_2	.919		
Acting Agility		17.208	.833
AA_3	.885		
AA_2	.797		
AA_1	.693		
AA_4	.650		
Reconfiguration Agility		14.278	.744
RA_1	.806		
RA_2	.796		
RA_3	.752		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy			.819
Bartlett's Test of Sphericity	Approx. Chi-Square		<b>3521.312</b>
	df		105
	p-value		.000

#### 4.2.2. Factor Analysis- Customer Satisfaction

Factor analysis test using principal component analysis and Varimax rotation returned only one component as Galbreath's (2010) scale named Customer Satisfaction with 84.708% as a cumulative variance (Table 3). Regarding the Reliability test, the results shown in Table 3 found that the alpha coefficient is 0.970.

**Table 3.** Factor Analysis and Reliability Results of Customer Satisfaction

Factor / Item	Factor Loading	Variance (%)	Alpha
Customer Satisfaction			
CS_6	.933		
CS_1	.926		
CS_4	.924	84.708	.970
CS_5	.919		
CS_3	.915		
CS_2	.914		
CS_7	.912		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy			.943
Bartlett's Test of Sphericity	Approx. Chi-Square		3514.497
	df		21
	p-value		.000

### 4.2.3. Factor Analysis- Organizational Structure

Factor analysis of organizational structure returned only two components instead of five components of Kim's (2005) scale named Formalization and Organic Structure. The two dimensions' cumulative variance is 72.376 % (See Table 4). Regarding the Reliability test, the alpha coefficient of organic structure and formalization are 0.938 and 0.835, respectively.

**Table 4.** Factor Analysis and Reliability Results of Organizational Structure

Factor / Item	Factor Loading	Variance (%)	Alpha
Organic structure		48.258	.938
OS_7	.847		
OS_2	.839		
OS_6	.832		
OS_2	.801		
OS_8	.788		
OS_3	.778		
OS_4	.772		
OS_1	.771		
Formalization		24.118	.835
F_2	.862		
F_1	.858		
F_3	.776		
<b>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</b>			.912
<b>Bartlett's Test of Sphericity</b>			<b>Approx. Chi-Square</b> 3266.017
			<b>df</b> 55
			<b>p-value</b> .000

### 4.3. Results of Testing the First Hypothesis

For testing the first hypothesis, multiple linear regression assumptions are tested (Table 5).

**Table 5.** Multiple Linear Regression of Model 1

Dependent Variable	Independent Variables	$\beta$	t-value	p-value
Customer Satisfaction	Decision Agility	.294	6.307	.000
	Acting Agility	.238	4.583	.000
	Reconfiguration Agility	.179	3.581	.000
	Sensing Agility	.170	3.957	.000
<b><i>R=.556 R<sup>2</sup>=.309 Adjusted R<sup>2</sup> = .302 F:44.166 p: .000</i></b>				

**Source:** SPSS multiple linear regression outputs of analyzing Galbreath (2010) and Park's (2011) items

The results of Table 5 show that Sensing agility, Decision Agility, Reconfiguration Agility, and Acting Agility, the dimensions of the independent variable (Organizational Agility) have a statistically significant effect on the dependent variable (Customer Satisfaction) at a 95% confidence level ( $\alpha \leq 0.05$ ). This can be concluded by the significantly calculated t values and Beta Values at ( $\alpha \leq 0.05$ ).

#### 4.4. Results of Testing the Second Hypothesis

In order to test this hypothesis, the process macro (Model 1) tool was employed.

**Table 6.** Moderation Effect of Formalization

Effects	$\beta$	SE	t-value	P
Sensing Agility	.373	.100	3.720	.000
Decision Agility	.273	.043	6.247	.000
Acting Agility	.244	.048	5.063	.000
Reconfiguration Agility	.150	.045	3.330	.000
Formalization	.334	.106	3.131	.001
Sensing agility*Formalization (INT1)	-.078	.031	-2.491	.013
<b>F= 31.974    R<sup>2</sup>= .328    P=0.000    R<sup>2</sup> Change = .010</b>				
Sensing Agility	.139	.033	4.144	.000
Decision Agility	-.304	.114	-2.655	.008
Acting Agility	.229	.046	4.912	.000
Reconfiguration Agility	.159	.044	3.627	.000
Formalization	-.481	.110	-4.340	.000
Decision Agility* Formalization (INT2)	.196	.035	5.459	.000
<b>F= 37.735    R<sup>2</sup>= .365    P= .0000    R<sup>2</sup> Change = .048</b>				
Sensing Agility	.133	.034	3.832	.000
Decision Agility	.276	.043	6.326	.000
Acting Agility	-.001	.115	-.007	.993
Reconfiguration Agility	.151	.045	3.340	.001
Formalization	-.157	.115	-1.357	.175
Acting Agility* Formalization (INT3)	.077	.034	2.241	.025
<b>F= 38.503    R<sup>2</sup>= .370    P= .0000    R<sup>2</sup> Change = .011</b>				
Sensing Agility	.136	.034	3.950	.000
Decision Agility	.280	.043	6.401	.000
Acting Agility	.230	.048	4.777	.000
Reconfiguration Agility	-.080	.113	-.713	.475
Formalization	-.15	.113	-1.347	.178
Reconfiguration Agility* Formalization (INT4)	.079	.035	2.251	.024
<b>F= 31.684    R<sup>2</sup>= .326    P= .0000    R<sup>2</sup> Change = .008</b>				

**Source:** SPSS micro process outputs of analyzing Galbreath (2010), Park's (2011), and Kim's (2005) items

The results (Table 6) imply that formalization moderates the relationship between all organizational agility dimensions and customer satisfaction. That can be explained by the

significant values of betas and t values at ( $\alpha \leq 0.05$ ) of the interaction terms (Sensing agility\*Formalization (INT1), Decision Agility\*Formalization (INT2), Acting Agility\*Formalization (INT3), Reconfiguration Agility\*Formalization (INT4).

#### 4.4.2. Moderation Effect of Organic Structure

The results imply that organic structure moderates the relationship between decision agility and customer satisfaction and acting agility and customer satisfaction (Table 7). That can be explained by the significant values of betas and t values at ( $\alpha \leq 0.05$ ) of the interaction terms (Decision agility\*Organic Structure (INT2), Acting Agility\*Organic Structure (INT3).

**Table 7.** Moderation Effect of Organic Structure

Effects	B	SE	t-value	P
Sensing Agility	.171	.103	1.664	.096
Decision Agility	.250	.043	5.809	.000
Acting Agility	.210	.046	4.525	.000
Reconfiguration Agility	.128	.044	2.891	.004
Organic Structure	.254	.102	2.478	.013
Sensing agility*Organic structure (INT1)	-.012	.029	-.418	.675
<b>F= 40.581 R<sup>2</sup>= .382 P=0.000 R<sup>2</sup> Change = .0003</b>				
Sensing Agility	.120	.033	3.627	.000
Decision Agility	-.154	.113	-1.358	.175
Acting Agility	.234	.046	5.079	.000
Reconfiguration Agility	.125	.043	2.885	.004
Organic Structure	-.180	.110	-1.637	.102
Decision Agility* Organic Structure (INT2)	.126	.033	3.817	.000
<b>F= 37.735 R<sup>2</sup>= .365 P= .0000 R<sup>2</sup> Change = .023</b>				
Sensing Agility	.124	.033	3.694	.000
Decision Agility	.273	.043	6.258	.000
Acting Agility	-.088	.125	-.703	.482
Reconfiguration Agility	.129	.044	2.947	.003
Organic Structure	-.067	.116	-.579	.562
Acting Agility* Organic Structure (INT3)	.087	.034	2.567	.010
<b>F= 38.503 R<sup>2</sup>= .370 P= .0000 R<sup>2</sup> Change = .011</b>				
Sensing Agility	.127	.033	3.774	.000
Decision Agility	.253	.043	5.874	.000
Acting Agility	.210	.046	4.533	.000
Reconfiguration Agility	.017	.115	.147	.882
Organic Structure	.107	.110	.973	.330
Reconfiguration Agility* Organic Structure (INT4)	.033	.032	1.034	.301
<b>F= 37.067 R<sup>2</sup>= .361 P= .000 R<sup>2</sup> Change = .001</b>				

**Source:** SPSS micro process outputs of analyzing Galbreath (2010), Park's (2011), and Kim's (2005) items

## 5. DISCUSSION and CONCLUSION

Organizational agility has been a crucial strategy for all organizations for many decades. Regardless of its ambiguity and illusiveness, it has benefited organizations in achieving organizational objectives. In modern organizations and highly dynamic environments, organizational agility became an indispensable capability that is required to enhance customer satisfaction. Besides, organizational structure whether organic or mechanistic plays an important role in all organizational practices. Therefore, this study addressed the effect of organizational agility on customer satisfaction as well as the moderation effect of organizational structure on the relationship between organizational agility and customer satisfaction.

The first hypothesis of this study proposed that organizational agility has a significant effect on customer satisfaction. The results confirmed the proposed hypothesis using multivariate regression analysis where all calculated t values and Beta Values at ( $\alpha \leq 0.05$ ) are significant. In general, the results confirm the theoretical implication of the existing studies (e.g., Lee et al., 2017; Kish and Rojuee, 2016; Mirabi et al., 2018). On the other hand, this study contributes to the literature by exploring elaborately the agility concept and finding a way for banks to adopt the practices of agility in order to enhance customer satisfaction.

The second hypothesis of this study states that organizational structure moderates the relationship between organizational agility and customer satisfaction. Using exploratory factor analysis, two factors of organizational structure were developed, named formalization and organic structure. The moderation analysis of formalization explains how the impact of sensing agility, decision agility, acting agility, and reconfiguration agility on customer satisfaction varies based on the degree of formalization. In other words, the results show that the effect of the interaction term between all factors of organizational agility and formalization on customer satisfaction is significant. The minus sign of beta infers that the more the formalization of the organization, the more the negative effect of sensing agility on customer satisfaction. Oppositely, the less the formalization is, the less the negative impact of sensing agility on customer satisfaction. That might explain that formalization can hinder the effect of sensing agility practices on customer satisfaction. In contrast, the positive sign of beta infers that the more the formalization of the organization, the more the positive effect of decision agility, acting agility, and reconfiguration agility on customer satisfaction. It can be inferred that

decision agility, acting agility, and reconfiguration agility practices can better influence customer satisfaction by applying the formalization structure.

Furthermore, the results show that organic structure only moderates the impact of decision agility on customer satisfaction and the impact of acting agility on customer satisfaction. That confirms a few theoretical studies that haven't been converted into practical or quantitative studies (e.g. Goldman et al., 1995; Kettunen, 2009; Preiss et al., 1996; Felin, 2015; Reed and Blunsdon, 1998).

Parts of the results of moderation effects are consistent with the study of Wilden et al. (2013) who found that the influence of sensing, seizing, and reconfiguration on organizational performance is moderated by formalization. In their study, they showed that the effect of dynamic capabilities on firm performance varies with the degree of the organization's formalization. In addition, their study analyzed the contingent effect of organic structure, which reported that organic structure also moderates the influential relationship between dynamic capabilities and firm performance. Wilden's et al. (2013) discussion supports the contention that organizations need to align their structure to achieve superior performance. Nevertheless, this study focuses only on organizational agility, which is developed using the dynamic capability view taking into account the speed issue of achievement.

However, it can be concluded by this study that rigid methods and operations can't cope with today's uncertainties while having only a flexible structure can deter some organizations to achieve high performance. The positive effect of organizational agility on customer satisfaction may require adapting or stable structure. That is a challenge for managers to adopt a structure that suits every internal and external situation of their organizations. Having a rigid structure might survive a lot of pressure, perhaps at a certain level, but when the level of pressure increases, the organizations might need to divide into several pieces to get advantage of everyone's experiences.

Agile organizations are well known for their ability to mobilize quickly. They are nimble and empowered to act by supporting the dynamic capabilities of sensing, decision-making, acting, and reconfiguration. This study revealed that by applying organizational agility practices, organizations, especially, banks can achieve better customer satisfaction.

Along with using the right organizational structure, organizational agility can positively affect customer satisfaction, which is an essential factor measuring organizational success.

Moreover, the model describes the roles of organizational structure in the effect of organizational agility on customer satisfaction.

Although few articles investigate the impact of organizational agility on customer satisfaction, this study contributes to the literature by explaining whether and how organizational agility impacts customer satisfaction through the moderation effect of one important organizational facet, which is organizational structure that is represented by formalization and organic structure.

Any study contains some limitations due to non-controlling variables. The first limitation of this study is related to measuring customer satisfaction. Customer satisfaction evaluation is limited to the employees' and managers' perceptions regardless of the customers' opinions. Therefore, the study might be subjected to biases. The second limitation is related to the study sample, which is restricted to those who work for commercial banks in Jordan. Researchers can conduct this study by evaluating the relationships in different sectors and countries.

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## APPENDIX

The study’s 5 Likert- scale Questionnaire

#	Question	Very Strongly Agree	Strongly Agree	Moderately Agree	Slightly Agree	Completely Disagree
<b>Organizational Agility</b>						
1	“Our Bank is slow to detect changes in our customers’ preferences on services” (R)					
2	“Our Bank is slow to detect changes in our competitors’ moves. (e.g., new promotions, products, and prices)” (R)					
3	“Our Bank is slow to detect changes in technologies” (R)					
4	“Our bank analyzes important events about customer/competitor/technology without delay”					
5	“Our bank finds out opportunities and threats from changes in customer/competitor/technology in a timely manner”					
6	“Our bank makes an action plan to meet customers’ needs without delay”					
7	“Our bank makes an action plan to react to competitors’ strategic moves without delay”					
8	“Our bank makes an action plan on how to use new technology without delay”					
9	“Our bank can reconfigure our resources in a timely manner”					
10	“Our bank can modify/restructure processes in a timely manner”					

11	“Our bank can adopt new technologies in a timely manner”					
12	“Our bank can introduce new services in a timely manner”					
13	“Our bank can change price quickly”					
14	“Our bank can change strategic partnerships in a timely manner”					
15	“Our bank can solve our customers’ changing needs and complaints without delay”					
<b>Customer Satisfaction</b>						
16	“Compared to competitors, our customers find that our products/services are much better.”					
17	“Our customers are very satisfied with the products/services we offer.”					
18	“Our customers are very satisfied with the value for price of our products/services”					
19	“Our customers find that the products/services we offer exceed their expectations”					
20	“The likelihood that our customers will recommend our products/services to others is high.”					
21	“Our customers are very satisfied with the quality of our products/services.”					
22	“The ability to achieve high levels of customer satisfaction is a major strength of our bank.”					
<b>Organizational Structure</b>						
23	“In our bank, important decisions generally are made by a few top managers alone rather than by people throughout the bank.” (R)					
24	“Employees have a great deal of freedom in making decisions about our work without clearing those decisions with people at higher levels of the company.”					
25	“In our bank, there are clear and recognized differences between superiors and subordinates. These differences can be seen in larger offices, quality of office furniture, close-in parking spaces, or frequency of superiors and subordinates having lunch together.” (R)					
26	“It is difficult for a person who begins in the lower ranks of our bank to move up to an important supervisory position within about 10 years.” (R)					

27	“Our bank has a printed company chart.” (R)					
28	“Everyone in our bank follows the company chart closely.” (R)					
29	“Employees’ actual work deviates from a written job description for our position.”					
30	“Employees must keep reading, learning, and studying almost every day to do our job adequately.”					
31	“In our bank, employee education is needed to do our job adequately.”					
32	“Employees do not have personal influence on decisions and policies of our bank” (R).					
33	“Employees have a say in decisions that affect our jobs.”					