

УДК 658.1

DOI 10.14258/epb202456

## ЭФФЕКТ АКТИВАЦИИ ОСНОВ СЦЕНАРНОГО МЫШЛЕНИЯ В ПОВЫШЕНИИ ЭФФЕКТИВНОСТИ ДЕЯТЕЛЬНОСТИ БИЗНЕС-ОРГАНИЗАЦИЙ

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В наше время мир становится свидетелем быстрых и высокоразвитых изменений в деловой среде организаций, и мы ожидаем от них постоянной работы в соответствии с развитием требуемых этой потребностью условий, поскольку эффективность деятельности организаций стала одной из наиболее важных основных столпов выживания и продолжения деятельности организаций в рабочей среде, характеризующейся событиями и изменениями. Не так уж много организаций заинтересованы в анализе работы внутренней системы. Экономические и политические переменные прямо или косвенно влияют на стратегические альтернативы организаций, это побудило многих из них разработать альтернативные стратегические варианты противостояния этим изменениям, создав набор возможных сценариев для более гибкой и эффективной адаптации перед лицом препятствий и вероятных изменений в рабочей среде.

В настоящее время изменения окружающей среды и их сложности в результате экономической открытости, свидетелями которых стали бизнес-организации в области бытовой электротехнической промышленности в течение последних десятилетий, заставили эти организации работать в высококонкурентной среде с местными и международными организациями, имеющими многолетний опыт в этой области, что, в свою очередь, может подвергнуть их многочисленным рискам и постоянным угрозам, которые могут привести к неспособности выжить и продолжать свою деятельность. Это повышает ключевую роль бизнес-организаций в поддержке процессов местного развития путем предоставления множества продуктов и услуг и в то же время требует от них мудрого административного руководства в целях повышения фактической производительности и производства качественной продукции, способной удовлетворить чаяния и потребности алжирского потребителя, что повышает выживаемость и преимущество бизнес-организаций в бизнес-среде и поддерживает ее превосходство над аналогичными организациями.

На основании того, что было упомянуто ранее, проблема настоящего исследования может быть сформулирована в попытке узнать, какое влияние может оказать принятие принципов активизации сценарного мышления на повышение производительности деятельности бизнес-организаций. Согласно полученным результатам, установлено, что они подтверждают все сформулированные ранее гипотезы, а также выявляют прочную и положительную связь между активацией сценарного мышления и повышением эффективности бизнес-организаций отечественной электротехнической отрасли. Представлен ряд предложений, которые могут принести пользу отечественной электротехнической промышленности в повышении ее производительности. Необходимо развитие и укрепление практики сценарного мышления в учреждениях электротехнического сектора путем создания нормативной среды для сценарного мышления среди руководителей и должностных лиц таких учреждений.

**Ключевые слова:** сценарное мышление, организационная эффективность, стратегическое лидерство, стратегическая гибкость, моделирование структурными уравнениями.

## THE EFFECT OF ACTIVATING THE FOUNDATIONS OF SCENARIO THINKING IN INCREASING THE PERFORMANCE OF BUSINESS ORGANIZATIONS

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In our time, the world is witnessing rapid and highly developed changes in the business environment of organizations, and we require them to constantly work on a path in accordance with the development required

by this need for conditions, as the performance of organizations has become one of the most important basic pillars for the survival and continuation of organizations in a work environment characterized by developments and changes. There are not many organizations that are interested in analyzing the internal work system. The economic and political variables directly and indirectly affect the strategic alternatives of organizations, which prompted many of them to develop alternative strategic options to confront these changes, by creating a set of possible scenarios in order to adapt in the face of obstacles and likely developments in the work environment in a more flexible and efficient manner.

Nowadays the rapid changes in the environment and its complexities as a result of economic openness that business organizations in the household electrical industry have witnessed in the past decades have forced these organizations to operate in a highly competitive environment with local and international organizations having many years of experience in this field, which in turn may expose them to numerous risks and lead to their inability to survive and continue their operations. This enhances the key role of business organizations in supporting local government processes by providing a variety of products and services, while at the same time requiring them to exercise wise administrative leadership in order to improve actual productivity and produce quality products, capable of satisfying the aspirations and needs of the organizations' survival in the business environment and maintain its superiority over similar organizations.

Based on what was mentioned earlier, the problem of this study can be formulated as an attempt to find out what impact the adoption of scenario thinking activation principles can have on the performance of business organizations. According to obtained results, it was established that they confirm all previously formulated hypotheses, as well as strong and positive connection between the activation of scenario and the increase in the domestic electrical engineering industry. A number of proposals are presented that can benefit the domestic electrical engineering industry in increasing its productivity. It is necessary to develop and strengthen the practice of scenario thinking in organizations of this industry by environment for the introduction of such thinking among managers and officials.

**Keywords:** scenario thinking, organizational performance, strategic leadership, strategic flexibility, structural equation modeling.

**Introduction.** In light of the rapid and successive changes that the world has witnessed during the last decades in the field of Business Management, which has made organizations operate in an environment characterized by openness and aspiration towards the outside world and in an environment characterized by intense competition, which multiplies the proportion of risks threatening their existence, and therefore it became clear that yesterday's methods of thinking and management are completely unsuitable for future challenges, and in survival and continuity, the latter depends on performance efficiency. It is becoming necessary to provide a clear vision of what the future will be like, and there is an urgent need to activate the foundations of thinking that enables us to face the challenges. Hence, scenario thinking has become the essence of strategic thinking, which requires the need for senior leaders in organizations to devote a large part of their time to thinking about future situations instead of just confronting and managing crises. One of the main challenges facing organizations today. Organizations are striving to maintain their sustainability and growth by improving performance due to the uncertainty and rapid changes taking place in the business environment. Scenario thinking is an effective tool for managing uncertainty,

so the current study attempts to answer the following question:

Is there a relationship between thinking about the script and performance and does it lie in activating its foundations.

To clarify the contents of this problem, we ask the following sub-questions:

- 1) what is meant by the foundations (strategic vigilance, strategic leadership, strategic flexibility);
- 2) to what extent do the foundations (strategic alertness, strategic leadership, strategic flexibility) contribute to activating scenario thinking in raising the performance of organizations;
- 3) if only one of the foundations is available, does this contribute to activating scenario thinking in raising the performance of organizations;
- 4) what is the impact of activating scenario thinking in raising the performance of household electrical organizations in the state of Burj buwaririj.

**Hypotheses.** There is a causal effect of activating the foundations, thinking about the scenario in raising the performance of household electrical organizations in the state of Burj buwaririj by achieving harmonization of environmental uncertainty.

There are no significant differences in the respondents' trends in improving and improving

performance due to years of experience in the institutions studied

**The importance of study.** Scenario thinking is the process of organizing and envisioning multiple futures based on a set of shifting assumptions about future events and trends. This type of thinking helps organizations deal with uncertainty and potential changes. There is little empirical research concerned with the relationship between scenario thinking and performance, so the current research was useful in its contribution to the scenario thinking literature. Literature in terms of: supporting the idea that scenario thinking has an important impact on raising performance, and providing empirical evidence in this regard. Some studies support the positive impact of strategic thinking on organization performance. Scenario thinking is a powerful strategic tool that helps organizations confront uncertainty and achieve long-term success. Would you like to learn more about how to apply this approach in your organization?

**Research aims.** This work seeks to achieve a number of goals, some of which can be mentioned:

- Highlighting the concept of foundations and activating scenario thinking.

- Removing the ambiguity surrounding the concept of scenario thinking, by clarifying the foundations, its historical roots, columns, and various concepts associated with it.

- Review the indicators of measuring the performance of institutions.

- Highlighting the importance of scenario thinking in making a difference by exploiting existing opportunities and avoiding risks.

- Shed light on the reality of thinking about the scenario in Algeria, by identifying its practice on a sample of economic institutions.

- Contribute exposure to one of the directions of scenario thinking based on strategic vigilance, strategic leadership, strategic flexibility, which is worthy to be a pillar to raise the performance of institutions.

**Study form.** Having identified the posed problem and formulated the necessary hypotheses, the current study includes two variables: Independent variable: the basis for activating scenario thinking, which includes three sub-variables (alertness, leadership and strategic flexibility).

Dependent variable: the performance of organizations, which includes four sub-variables (efficiency, effectiveness, survival and continuity, growth), as well as demographic characteristics (gender, age, seniority in the institution, educational qualification) and their impact on the answers of the study sample, a model has been designed showing various variables and their relationship, which is shown in the diagram below.

**The curriculum used in the research.** the light of the study that we have conducted and the goals that we are seeking to achieve to identify the foundations of activating scenario thinking, the performance of organizations and to be able to address the problematic of the topic, we relied on the deductive approach, by building on previous studies in the development of the proposed model, which reflects the framework of hypotheses about the relationships between research variables. In addition to adopting the inductive method, in order to test the quality of the proposed model representation of the data collected by developing the theory, which is represented by the model developed after the test. The analytical descriptive approach was adopted, which is based on the study of the phenomenon as it exists in reality, describes it accurately and expresses it qualitatively or quantitatively. The qualitative expression describes the phenomenon and explains its characteristics, while the quantitative expression gives it a numerical description that shows the amount of this phenomenon, its size or the degree of its correlation with other phenomena. Also, this method does not stop at collecting information to describe the phenomenon, but rather analyzes the phenomenon and reveals the relationships between its various dimensions in order to interpret it and reach conclusions that contribute to improving and developing reality, and the study models were tested using statistical methods based on the statistical method (SMART PLS4).

**Study limits.** The limits of the study were represented in the human limits and are represented in the frames of the sample of institutions of the household electrical industry sector of Burj buwaririj state.

**Spatial boundaries.** the household electrical industry sector of Burj buwaririj state — Time limits: the time period allocated for the field study, which is the period of 11 months from 2023.

**Objective limits:** the study was limited to the relationships between the independent variable (activation of scenario thinking) and the dependent variable (performance of organizations).

**The study community.** Since the phenomenon is related to thinking about the scenario to raise the performance of organizations in the institutions of the household electrical industry in the state of Burj buwaririj, and since the topic is classified at a strategic level, the intended community of this study includes frames and officials in all institutions of the household electrical industry in the state of Burj buwaririj, because this category is the most able to understand the questionnaire questions on the one hand and for its active role in leading senior management and transforming ideas by preparing appropriate strategic alternatives with high quality that ensures survival

and continuity of success and excellence, as the latter is considered an industrial pole par excellence and a destination for investors. The choice of this community was not born of chance. In order to achieve the objectives of the study, a survey research method was adopted to study scenario-thinking relationships to improve the performance of business organizations. The necessary data was obtained through field research by distributing 100 questionnaires, of which 95 were collected, of which 05 were invalid for analysis by 9% and 91 were valid for analysis by 90%, which is an acceptable percentage. The target study community was managers at various levels.

**Definitions of scenario thinking.** The dictionary of strategic scenario defined a summary or plan of a series of events and actions that are expected or possible, while defined a strategic scenario as a coherent and harmonious implication about what the future could be, but rather a possible future outcome [1, p. 45–60]. He also defined the strategic scenario as the description of a set of possible future events, based on preliminary conditions or specifications, and the paths that could lead to this, and each of the strategic scenario was defined as a synthesis of a set of scenes according to a specific logic, the historical analysis of the roots of phenomena and societal processes and their developments depends on and depending on other Propositions and hypotheses of the movement [2,] He considered that the strategic scenario represents a mental training for officials to draw a direction before they start planning because it works to increase their awareness [3]. The contributions of scenario thinking, it is noted that most of these writers proceed from the principles of scenario thinking. Within this label, it is noted that there are those who talk about the general characteristics of scenario thinking, as well as those who focus on the components that make up scenario thinking, and there are those who combine both directions [4,] Scenario thinking is also a means of strategic planning that some organizations use to give flexibility to long-term plans and is used in policy planning and organizational development [5]. Scenario thinking processes begin with identifying the forces of change in the surrounding environment, such as new technology, changing consumer behaviors and competition conditions. Therefore, scenario thinking helps individuals and organizations to find forces in the strategic direction and main purposes to face different processes and different circumstances [6].

**B-conceptual classification.** Fahmy based his classification of scenarios on the objective and comprehensiveness.

**B-1-by comprehensiveness:** Comprehensive scenarios: develop insights about the world.

— Specialized scenarios: interested in a specific sector or industry.

**B-2-according to the objective:** Target scenarios: sets a set of future goals in order to describe a desirable future. Exploratory scenarios: they are scenarios that start from the present without a specific goal.

**The importance of the scenario.** A good scenario describes the situation of dealing with motivating forces and requiring organizations to dig deeper, deal with scarce resources, make difficult decisions and do what they do despite the risk they face. And this perspective of having better strategic decisions, more innovation, good leadership and a scenario planning program opens up new possibilities for managers and the organization [7, p. 14]. The use of the script has been popular in a variety of ways since the emergence of this method after the Second World War, and in recent years the importance of using the script has been renewed for several reasons, including [1].

C-the importance of the strategic scenario method is also evident through the study of the future through scenarios that are suitable not only to explore the future prospects of a society or a sector in it, but also to reflect on the reality of this society or sector now, and how it reached the situation it is [1]. F-the scenario is used to choose the course of business plans or strategies by asking the question What if this scenario happened [8].

**Performance definition.** Performance is one of the most important terms that preoccupied the manager and made him more interested in it and improving it. Performance is a language in the Latin verbperformance, which means giving a complete form to something, and derived from the English word, which means the completion of work or how the organization achieves its goals [9]. Performance is linguistically defined as “it is a measure of what has been achieved or provided by a system, a person, a team, a process, an IT service” (intermediary lexicon) this is in its first definition, while the second definition refers to “the economic result that a machine can achieve. It is further defined as “the way business is done” [10]. Performance is defined as “getting things done as they should be done» [10].

**Performance evaluation.** Performance is one of the vital and necessary factors for the success of any organization and the process of knowing the degree of achievement of goals and analyzing them, in order to raise future performance and achieve greater. In this world characterized by technological development and intense competition, performance measurement becomes a necessity for every organization seeking survival and growth. in most cases, performance is measured only by the availability of certain criteria and indicators, and when necessary, a comparison between it and previous performance that enables it to be identified and its developments achieved.

**Effectiveness.** Business organizations strive to achieve efficiency, which is one of the most important



criteria for survival and continuity in the organization's business environment, where effectiveness represents the organization's ability to achieve the set goals, achieve the desired results, and continue to develop organizations» products and satisfaction with these products. Effectiveness at Mahoney and steers is characterized by high productivity, flexibility and the ability of organizations to adapt to the environment, as well as the ability to stability and innovation» [11].

KASTO "Rosenzwee that effectiveness means the ability of an enterprise to achieve goals by increasing sales volumes, achieving customer and employee satisfaction within the enterprise, Human Resource Development and profitability growth" [12, p. 37] effectiveness is "the degree of achievement of goals, that is, it is the degree of correspondence between the set goals and the results achieved" [13, p. 52] defined by both Katz and Kahn effectiveness' means maximizing the rate of return on investment in all legitimate ways, it also means maximizing the returns of individuals and contributing to raising the efficiency of the organization as a whole. Effectiveness is also considered an indicator of the ability to survive and continue to control the environment [11].

**Competence is a "combination of knowledge"** defined by the French professional group (MEDE) as'a combination of theoretical knowledge, practical knowledge, practical experience, and professional status is the framework that allows it to be observed, recognized, evaluated, and developed by the organization' [14, p. 149].

— It is the knowledge and ability to act concretely and effectively in the totality of actions, attitudes and personal characteristics related to the individual, which are required by the practice of a specific activity [15, p. 30–40].

**Growth.** This aspect defines the capabilities in which an organization must grow in order to achieve high-level internal processes, and the learning and growth aspect of organizations emphasizes three capabilities

— For employee performance measured using employee understanding, skill levels, employee satisfaction survey, turnover rates (percentage of employees who left the organization annually and employee productivity.

— The performance of the information system is measured by the proportion of first-line employees who have an open connection with customer information and the proportion of internal processes with real-time feedback.

— Motivation and bonuses are measured by the number of proposals of each employee, the rate and percentage of compensation for dependence on the incentives of the individual and the group.

**Principles of raising the performance of organizations.** Therefore, it can be said that internal

performance is achieved through the necessary resources of human resources, financial and material resources for the performance activity of organizations, and there are those who believe that internal performance achieves quality, cost, deadlines.

Quality is considered a fundamental focus of internal performance, for its ability to satisfy the needs of customers, and the quality of customers and their conditions will necessarily lead to quality in the methods and procedures of production [16].

The idea of measuring performance allows the organization to know its real status, and the continuity of organizations depends on the internal performance that can be maintained and its development is the opposite of external performance, which can pose a threat to organizations after it represented available opportunities [16]. Their workers and frames and to know the types of products they produce which were similar. Statistical methods used in the study: The statistical program (25PSS Ver) and the program (Smart PLS4-SEM).

**Research Background.** An organization's ability to adapt to uncertainty and react to changes is strategic flexibility in dynamic environments. Therefore, organizations need a flexible organization for adaptation and continuity. The scenario is considered a pattern that stimulates strategic thinking and presents strategic alternatives by creating multiple visions for the future. However, there is little evidence of its effects on organizational competencies. This study aims to reveal the direct contribution of strategic flexibility and complexity to the scenario. Structural equation modeling (SEM) is relied upon for the purpose of evaluating causal links between various concepts. Analysis of data drawn from a sample of 108 European manufacturing companies [17].

The primary goal of the research is to familiarize health organizations with the role played by formulating a health and achieving a high-level strategic scenario in enhancing security in the face of emergency crises such as epidemics, and to identify the level of technical and human preparations among workers in the researched organization in confronting the Corona epidemic. The importance of the study lies in the importance of the role played by the staff. Medical and their treatment, as this study contributes by presenting theoretical frameworks for the variables of the study represented by status [18].

This paper aims to study the most important factors for the success of strategic scenario planning in the study population and show the effect of the interaction between the success factors of strategic scenario planning and its performance indicators on crisis management. From here the importance of the study becomes clear. In light of this, a model was built to collect data through a questionnaire, and

therefore a sample was chosen that included (50 people, representing a total of directors of the senior administration of Najaf Governorate. Using ready-made statistical programs (SPSS). Through the results and analysis, the study reached a set of conclusions, the most important of which is increasing the effectiveness of strategic vigilance, the flexible strategic dimension, and strategic efficiency in growth, survival, and continuity by activating the strategic scenario and what it includes. Performance indicators [19].

**Structural equation modeling (SEM):** to test the validity of the first hypothesis, it is used to measure direct causal effects between study variables. To ensure that there is no problem of linear correlation, and this is by measuring the variation inflation factor (VIF) or the values of the allowed variation (TOL) for each group of them. The extent to which the independent variables interpret the dependent variable is determined by the determination coefficient ( $R^2$ ), and then the extent to which the influence of each independent variable on its own on the interpretation of the dependent variable is determined. Through the size effect ( $F^2$ ), the predictive honesty ( $Q^2$ ) is the ability of independent variables to predict the dependent variable, then the conformity quality index (GOF), which enables to measure the extent and strength of dependence on the measurement model and the structural model, and finally to confirm hypotheses through path coefficients and hypothesis testing, and the following figure shows the criteria for evaluating the structural model.

**Research method.** In order to become familiar with the aspects of the study, answer the problem raised, and prove the validity or error of and reach conclusions that contribute to improving and developing reality. Based on the above, our current study relied on the descriptive, inductive, deductive and analytical approaches. The study models were also tested using statistical methods using the statistical program (SMART PLS 4).

**Evaluation of Measurement Model.** At this stage, the focus is on the standard reflective model in terms of its proof and validity using special criteria that we explain below:

Measuring reliability: In general, it is done through the following two indicators:

- Indicators indicators:

It is measured through the standard saturation of each variable measured on its latent factor, where variables whose explanatory power is greater than the error variance are accepted, i. e. whose saturation value is greater than 0.7. However, items with saturation greater than 0.4 or 0.5 can also be accepted for purposes theory or to maintain general consistency with other statements. Many researchers have used the value 0.4 as a dividing line between important saturation and unimportant saturation. For clarification, the saturation of each observed or measured variable indicates the percentage of its contribution to the latent factor, and in most cases the saturation indicates the correlation coefficient. Therefore, its value is limited to between  $-1,1$ , and therefore its square indicates the percentage of variance in the measured variable or indicator that is explained by the latent factor on which that indicator is saturated. [20,].

**Evaluation of Structural Model.** The value of  $R^2$  ranges from (0–1), and higher levels indicate higher levels of predictive accuracy.  $R^2$  values of 0.75, 0.50, and 0.25 can be considered large, medium, and weak, respectively, in many social science disciplines. In some disciplines, the  $R^2$  value is considered satisfactory if it exceeds 0.10,  $R^2$  values up to (0.90) may be reasonable, and  $R^2$  values can also be very high when the model fits the data [20, p. 118]. According to those who determined the strength of the interpretation according to the value of  $R^2$ , inappropriate, weak, moderate, large, greater than 0.67, great interpretation, between 0.33 and 0.67, moderate interpretation, from 0.33 to 0.19, weak interpretation, and less than 0.19, unacceptable.

Table 1

## Reliability and Convergent Validity

| Description  | Cronbach $\alpha$ | C Reliability | AVE   | Loading | p-values | Conclusion |
|--|-------------------|---------------|-------|---------|----------|------------|
| <b>Scenario thinking</b>                                   | 0.912             | 0.926         | 0.511 |         |          | Reliable   |
| Strategic Vigilance  |                   |               |       | 0.843   | < 0.001  | Valid      |
| leadership stratégique                                     |                   |               |       | 0.857   | < 0.000  | Valid      |
| Strategic flexibility                                      |                   |               |       | 0.813   | < 0.001  | Valid      |
| <b>Firm Performance</b>                                    | 0.926             | 0.936         | 0.532 |         |          | Reliable   |
| Effectiveness  |                   |               |       | 0.906   | < 0.001  | Valid      |
| Efficiency   |                   |               |       | 0.857   | < 0.000  | Valid      |
| Survival and continuity                                    |                   |               |       | 0.840   | < 0.000  | Valid      |
| Learning & Growth  |                   |               |       | 0.842   | < 0.001  | Valid      |
| Note: * indicates significant at 1% level of significance. |                   |               |       |         |          |            |

Table 2

## Discriminant Validity

|                   | Firm Performance | Strategic Planning |
|-------------------|------------------|--------------------|
| Firm Performance  | 0.877            |                    |
| Scenario thinking | 0.698            | 0.864              |

Table 3

## Model Goodness of Fit

| Parameter  | Value  | Criterion | Conclusion |
|------------|--------|-----------|------------|
| SRMR       | 0.062  | < 0.08    | Good       |
| Chi-square | 127.97 | > 7.20    | Good       |
| NFI        | 0.84   | > 0.9     | Moderate   |

Table 4

## Results of Hypotheses Testing

| Hypotheses   | Coefficient | Std Dev | t-values | p-values | Conclusion |
|--|-------------|---------|----------|----------|------------|
| H1: Scenario thinking → Firm Performance   | 0.741       | 0.073   | 8.851    | 0.000    | Supported  |
| H2: leadership stratégique → Firm Performance                                      | 2.461       | 0.043   | 19.557   | 0.000    | Supported  |
| H3: Strategic flexibility → Firm Performance                                       | 2.58        | 0.098   | 3.590    | 0.000    | Supported  |
| H4: Strategic Vigilance → Performance  | 3.651       | 0.103   | 3.974    | 0.000    | Supported  |
| Note: «and / indicate significant at 1% and 5% level of significance (one-tailed). |             |         |          |          |            |

**Discussion.** Using sample data that includes executives and officials in institutions of the home electrical industry sector in the state of Bordj Bou Arreridj, Algeria, this study produces four important results. First, there is a positive relationship between scenario thinking and institutional performance ( $b = 2.461$ ,  $p = 0.000$ ). Secondly, there is a positive relationship: leadership strategy and the ability to perform institutionally ( $b = 2.58$ ,  $p < 0.000$ ). Third, there is a positive relationship between capacity and institutional performance: strategic flexibility ( $b = 3.654$ ,  $p < 0.000$ ). Fourth, there is a positive relationship between Strategic Vigilance and performance. The impact of the elements on scenario thinking can be ranked from highest to lowest as follows: Efficiency, effectiveness, survival, continuity, learning and growth. This means that organizations must focus on developing vigilance, flexibility, and strategic leadership to increase their ability to increase their performance in an era of hypercompetition and achieve competitive advantage. The result of the study is consistent with studies that have shown a positive effect of vigilance and strategic leadership, which together constitute the ability to have strategic flexibility.

Through the above table, we note that most of the values of the Ave indicator are close to (1), and this indicates the quality of the description of the indicators (measured variables) of The Associated latent variable (the quality of the measurement model), as for the values of the determination coefficient  $R^2$ , the other one is close to (1), and this indicates the quality of the structural model, after calculating the GOF value, which amounted to 0.6554, which is greater than 0.36. According to the criteria of [21, p. 177], this indicates the great conformity quality of the study model which was derived from previous studies and its reliability.

**Pathways and hypothesis testing.** After running the PLS-SEM algorithm, estimates of the relationships of the structural model (i. e., the path coefficients, which represent the assumed relationships between the compositions) are obtained. Path coefficients have approximately standard values between  $-1$  and  $+1$  (values can be smaller/larger, but usually fall between these limits) and path coefficients close to  $+1$  represent strong positive (and vice versa for negative values) relationships that are usually statistically significant. The closer the coefficients are to zero, the weaker the relationships, the relationship is significant

and statistically significant when the error ratio (P-value) is less than 0.5 [20].

**Testing the study hypotheses.** To test the study hypotheses, determine the correlation between the study variables and their level of significance, and determine the quality of the relationship between them, the 4SmartPLS method was used between the foundations of scenario thinking as independent variables and the performance of home electrical institutions.

**Testing the first main hypothesis.** There is a significant effect of the principles of activating scenario thinking on the performance of the home electrical institutions under study. To test this hypothesis, the influence relationship between the foundations of activating scenario thinking as an independent variable and the performance of the home electrical institutions under study as a dependent variable was studied across the dimensions of scenario thinking using the path analysis method and the use of the 4SmartPLS program. In the first stage, the statistical significance of the direct effect is verified, and in the second stage, the field is calculated. trust, there is a significant effect of the foundations of activating scenario thinking on the performance of institutions. This effect is supported by the calculated  $f^2$  value of 0.714 and within a significance level of less than 0.05. As for the coefficient of determination  $R^2$ , it indicates that the foundations of activating scenario thinking as an independent variable explains 60% of the variation occurring in the performance of institutions. Home electrical as a dependent variable, and in light of the above, the first main hypothesis is accepted, which states that **“there is an influence relationship with a statistically significant level between the foundations of activating scenario thinking on the performance of the home electrical institutions under research”**.

We note from the table above that there is a significant effect of strategic vigilance on the performance of the institutions under study, and this effect is supported by the calculated  $2f$  value of 0.234 and within a significance level of less than 0.05. As for the coefficient of determination  $R^2$ , it indicates that performance as an independent variable explains 78% of the variation occurring in the performance of home electrical institutions. The subject of the study is a dependent variable, and the rest of this percentage means that there are other independent variables in the model that affect the performance of institutions, and from this it is clear that strategic vigilance contributes to enhancing the ability to sense and understand the patterns of different changes in the environment and expected events as a positive impact on the strategic vision of the senior leadership, and this is what it calls for accepting the first sub-hypothesis, which is:

**“There is a statistically significant effect of strategic alertness on the performance of the institutions under research.”** From the results of the table above, we note that there is a direct effect of the foundations of activating scenario thinking on the performance of the home electrical institutions under study. We also note that the confidence interval does not include zero, and in light of the above, the first main hypothesis is accepted, which is, **“There is a significant effect of the foundations of activating scenario thinking on the performance of the institutions.”** We note from the table above that there is a significant effect of strategic leadership on the performance of the home electrical institutions under study. This effect is supported by the calculated  $f^2$  value of 0.237 and within a significance level of less than 0.05. The coefficient of determination  $R^2$  indicates that strategic leadership as an independent variable explains more than 71%. Of the variation occurring in the performance of the home electrical institutions under study as a dependent variable, the rest of this percentage means that there are other independent variables in the model that affect the performance of the institutions. In light of the above, the second sub-hypothesis is accepted, which is, **“There is a statistically significant effect of strategic leadership on the performance of the home electrical institutions.”** Place of study It is clear from the table above that there is a significant effect of strategic flexibility on the performance of the home electrical institutions under study. This effect is supported by the calculated  $f^2$  value of 0.370 within a significance level of less than 0.05. The coefficient of determination  $R^2$  indicates that performance as an independent variable explains 93% of the variance obtained. In the performance of the home electrical institutions under study as a dependent variable, the rest of this percentage means that there are other independent variables included in the model that affect performance. In light of the above, the third sub-hypothesis is accepted, which is: **“There is a statistically significant effect of strategic flexibility on the performance of the home electrical institutions under study.”**

#### **Hypothesis testing statistical differences.**

The table above shows the results of the one-way analysis of variance, where the value (F) was 22.809, and the probability value (sig) was 0.000, which is less than the level of significance of 05%. From this we conclude that there are statistically significant differences in the foundations of activating scenario thinking among executives and officials of institutions depending on the variable The size of the institutions studied.

From the table it is clear that there are statistically significant differences based on the value (F) of 22.809,



and the probability value (sig) reached 0.000, which is less than the level of significance of 05%. That is, we accept the alternative hypothesis that says that there are differences between the institutions under study depending on the variable of the size of the institution with regard to the basis for activating Thinking about the scenario among the executives and officials of the researched institutions.

Differences appear in favor of large institutions, and this is perhaps due to the capabilities available to them in terms of research, development, and innovation in products, as they rely in their strategic alternatives on a comprehensive view of the diversification strategy, economies of scale strategy, and competitive price strategy. The GEANT, CONDOR, ARCODIM Foundation is considered Leading institutions in this type of scenario rely on their strategic vigilance with advanced technological systems and distinguished human competencies and the ability to respond quickly to environmental changes. This is consistent with Fahmy's classification of scenarios. Compared to small enterprises that rely in their strategic alternatives on specialized scenarios, or targeting scenarios in confronting large enterprises, where they rely on quality and specialization in a product to target markets. For example, the "Cobra" corporation specializes in the "heater" product and targets markets. Certain areas, such as the cold regions in the east of the country, and the "Cridor" company specializes in fan and stove products. This is what agreed with Al-Issawi's classification in scenarios, on the one hand, and on the other hand, there are no differences related to the process of practicing scenario thinking without rules. From this we can conclude that the hypothesis that It states that there is a practice of scenario thinking without rules

The study concluded with a set of theoretical and applied results, which can be referred to as follows.

#### **Results of the theoretical aspect:**

1. Scenario thinking has a scientific approach that distinguishes it and makes it an essential support in developing the strategic leadership capabilities of senior management in the long term, as it represents a proactive process that collects and analyzes information and generates ideas through strategic direction, as it requires information about the current situation, drawing a vision of the current situation, and then creating The alternatives proposed also depend on the accumulated experiences of managers.

2. Thinking about the scenario has become necessary for contemporary organizations and not an option. The reason is the rapid changes in the environment, as thinking about time and having organizations have strategic leaders is one of the most important components for the survival of

organizations and ensuring their continuity in light of rapid fluctuations and intense competition.

3. Scenario thinking represents one of the most important talents that a person possesses, and it can be learned and developed through training processes, developing scientific methods in organizations, and benefiting from previous experiences by coming up with hypotheses and finding strategic alternatives that contribute to the expansion of strategic ideas in business organizations.

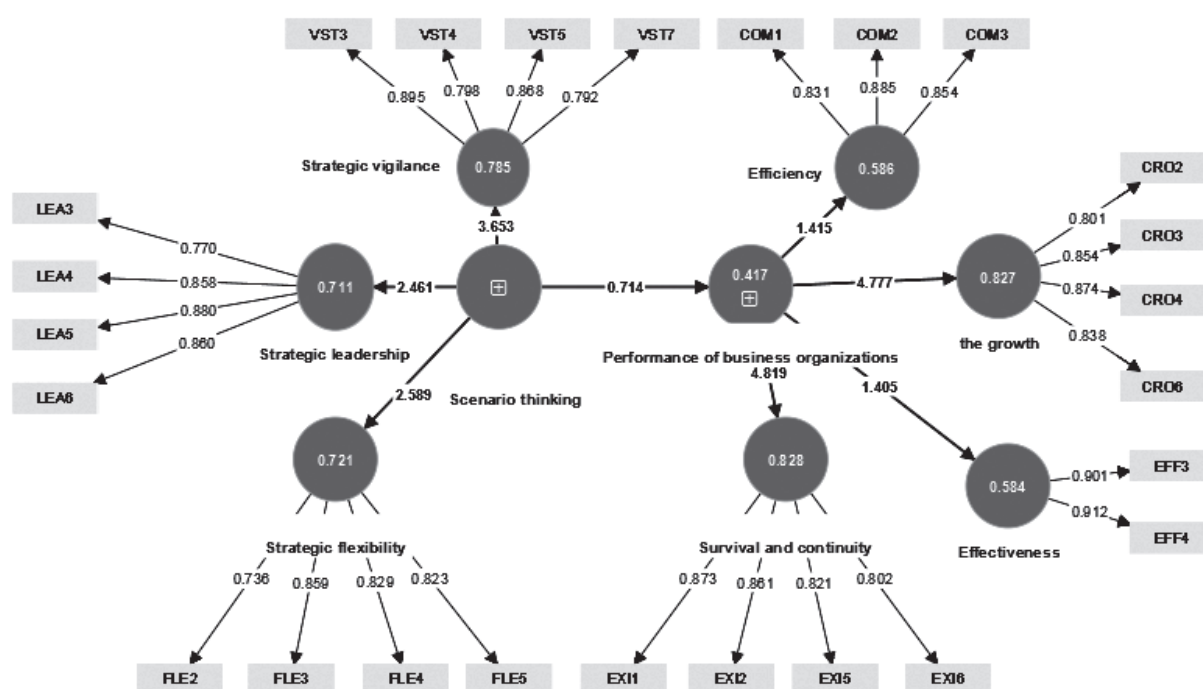
4. Scenario thinking contributes to giving decision-makers the incentive and support to make decisions in light of the changes affecting organizations, and creates a feeling for them and a continuous search for alternative methods that help organizations grow and develop, maintain competitive advantage and stimulate thinking about opportunities in order to present more than one opportunity, idea and possibility. To cope with environmental changes.

5. Strategic vigilance contributes to providing information and analyzing it in activating scenario thinking, which makes it one of its foundations. However, strategic leadership may have a proactive vision for the future or envision organizations» environments, and this also makes it among the foundations of scenario thinking.

**Second: Results of the applied aspect.** As for the field aspect and with reference to the main goal behind this study, which revolves around testing the relationship between the foundations of activating scenario thinking and the performance of business organizations, after studying a sample of home electrical institutions in the state of Bordj Bou Arreridj, we reached the following results:

1. There is a positive relationship between scenario thinking and its three foundations among the managers and executives of the institutions of the home electrical industry sector in the state of Bordj Bou Arreridj, as these foundations represent the concept of scenario thinking, and based on many studies, there is a direct effect with statistical significance between scenario thinking and increasing the performance of institutions, and this indicates The study sample members practice thinking about the scenario, which in turn reflects positively on the success of the organization's performance.

2. There is an effect of the dimensions of scenario thinking together on the performance of organizations. These dimensions also individually affect the performance of organizations, albeit to a varying degree, as the effect of strategic vigilance was ranked first in terms of high influence. The validity of all hypotheses was confirmed through statistical analyses. Noting the importance given to each hypothesis, no hypothesis achieved a correlation value equal to zero.



*Shows the paths of the structural model of the study variables as follows*

**Conclusions.** The main goal of this study, which revolves around testing the relationship between the foundations of activating scenario thinking and the performance of business organizations. After studying a sample of home electrical institutions in the state of Bordj Bou Arreridj, we reached the following results:

1. There is a positive relationship between scenario thinking and its three foundations among the managers and executives of the institutions of the home electrical industry sector in the state of Bordj Bou Arreridj, as these foundations represent the concept of scenario

thinking, and this is based on many studies in which they were based on these dimensions.

2. There is a direct, statistically significant effect between scenario thinking and increasing the institutions' performance. This indicates that the study sample members practice scenario thinking, which in turn reflects positively on the success of the institution's performance.

3. The validity of all hypotheses was confirmed through statistical analyses, noting the importance given to each hypothesis, as no hypothesis achieved a correlation value equal to zero.

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Поступила в редакцию: 20.06.2024.

Принята к печати: 17.07.2024.