
Exploring organisational agility in SMEs

Saad M. Zighan

The Faculty of Administrative and Financial Sciences,
University of Petra,
Amman, Jordan
Email: szighan@uop.edu.jo

Nidal Y. Dwaikat*

Industrial Engineering Department,
An-Najah National University,
Nablus, Palestine
Email: nidal_n@najah.edu
*Corresponding author

Abstract: SMEs are facing unanticipated and rapid changes in their business environment. With a view to improve the sustainability and survival of SMEs, this study investigates the application of organisational agility in terms of innovation, flexibility, responsiveness, adaptability and resilience. Drawing on semi-structured interviews with 53 furniture manufacturing SMEs in Jordan, the study finds that SMEs do not adopt agility in comparison to larger organisations. They face several resource constraints and financial frictions represent a severe obstacle for the development of SMEs' agility. In terms of increasing their agility, the results show that manufacturing SMEs can leverage their employees' skills and capabilities in an efficient and effective manner, which will in turn offer a significant and simultaneous effect on the organisational agility. The results also indicate that customer orientation, service provision and strategic collaboration have a substantial effect on the development of the SMEs agility.

Keywords: SMEs; agility; innovation; flexibility; responsive; adaptability; resilience.

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Biographical notes: Saad M. Zighan received his PhD in Management Studies from the University of Huddersfield in 2016. He is a Senior Lecturer in Teaching Operations Management and Project Management at the University of Petra. He implemented several administrative and support functions during his working experience and contributed in developing new ideas and solutions to organise work flow of several construction and industrial projects.

Nidal Y. Dwaikat obtained his PhD in Industrial Engineering and Management from KTH Royal Institute of Technology, Sweden. He is an Assistant Professor in the Industrial Engineering Department at An-Najah National University ANU, Palestine. He also holds the position of Deputy President for Planning Development and Quality Assurance at ANU.

1 Introduction

Today, being an agile organisation is an essential management approach towards both survival and sustainable growth (De Smet et al., 2018; Venugopal and Saleesha, 2019; Shams et al., 2020). Faced with ever-increasing and difficult to predict changes, organisations must constantly react as efficiently as possible in the event of vulnerabilities and/or dynamic changes (Kanten et al., 2017). The notion of organisational agility has been presented as an organisational strategic response to the instabilities in the business environment (Nejatian and Zarei, 2013). An agile organisation design indicates a proactive capacity in the organisation operations system, which is flexible and adaptable to dynamic changes in the business environment such as economic fluctuates, changes in customers' demands or changes in productions' technology (Worley and Lawler, 2010). Further, it underpins organisational resilience capability (Sansone et al., 2017).

Organisational agility was mainly developed in large companies which use it to synchronise the process with suppliers, in order to match the flow of information products and services with customers' demands (Langenwalter, 2019). Further, they use organisational agility to develop flexible capabilities to respond to the fast-changing business environment, by quickly adjusting their sourcing, productions, logistics and sales. In this context, several researchers have presented a theoretical framework of organisational agility (Chan et al., 2017; Srinivasan and Swink, 2018). Other researchers have empirically investigated the efficacy of these proposed theoretical frameworks based on real case studies (Liu et al., 2018; Hoffmann et al., 2020). However, few studies have investigated agility in small and medium-sized enterprises (SMEs). Regardless, many studies that have proven the prominence of agility in SMEs for economic growth and for the success of both large enterprises and corporations (Chan et al., 2019). Still, studies that have investigated the application of agility system in the context of SMEs are limited (Ayoub et al., 2017), and this study exploring the organisational agility of SMEs in Jordan, particularly the furniture manufacturing SMEs.

1.1 *The business context in Jordan*

Jordan is a country that has planted roots in history; many cultures lived on its lands and it was a chief location for the evolution of humankind from the first written history to modern Jordan. Jordan has a very unique location as it was the connecting pieces for trade and travel among the west and the east across the globe. Modern Jordan was formed in 1921 under British colonisation after the end of the Ottoman Empire and it got its independence in 1946 (see Dana, 2000). Compared to neighbouring countries Jordan has limited resources; however, it sits in the strategic location of the heart of the Middle East. Jordan also enjoys security and safety compared to other countries, and such features allowed Jordan to compete for local and international investments in many industries, especially in the manufacturing industry. Today, there are more than 20,000 SMEs in Jordan employing more than 400,000 workers and accounting for 40% of local revenue.

Such organisations serve all other sectors to optimise economic growth (Robins, 2019). According to Dana (2000), Jordan has improved its infrastructure and developed an attractive business environment.

Nevertheless, this intensifies competitions challenges for Jordanian SMEs (Mashal, 2018), particularly the furniture manufacturing SMEs. The furniture sector in Jordan

faces fierce competition from foreign markets, especially goods from Egypt, Turkey, China, and East Asia (Mashal, 2018), which represents a key hazard that threatens the existence and continuity of furniture manufacturing SMEs in Jordan. This research therefore aims to explore the agility of furniture manufacturing SMEs in Jordan and thus fill the aforementioned gap in the literature. The study's main objective is to induce a conceptualisation of the organisational agility of SMEs and further, to confront it with literature.

2 Literature review

Agility in management science is a contemporary concept that dates back to the early 1990s (Gligor et al., 2019). Its conceptualisation is not yet complete and therefore it remains open to research. Initially, the term was used in the air combat field to refer to the ability to change manoeuvres over time (Potdar et al., 2017). The concept of agility was then extended to the business context in response to promoting the competitiveness of the US industry (Yusuf et al., 1999). Agility is then presented as the capacity of an organisation to grow in an environment characterised by unpredictable, rapidly and continuous changes in the business environment (Teece et al., 2016).

In 1995, Goldman et al. referred to the concept of agility as 'readiness to change' and defined it as a demand-driven business policy that is more responsive in an instable market place.

It is an organisation's capability to change quickly, adapt, renew itself and succeed in offering superior quality of customised products and services efficiently and effectively (Thames and Webster, 2009) integrated these concepts together and widened the concept of agility to refer to a company's capacity for innovation in response to requests for change. As a result, Harraf et al. (2015), view the notions of innovation, flexibility, responsiveness, adaptability and resilience are at the core of organisational agility.

- *Innovation* refers to the organisation's capability to uncover new ways to do things, create novel solutions to critical problems, develop new processes, methodologies, ideas, products and services, while responding to evolving customer needs (Rivera, 2017).
- *Flexibility* refers to the organisation's capability to change. It corresponds with the number of future alternatives, which includes the capacity to change production quantity, quality and the capability to modify the type and characteristics of a product (Kristianto et al., 2017).
- *Responsiveness* is the organisational quality of reacting quickly and positively to a change in the external environment. It corresponds to the speed at which an organisation responds to the evolution and unexpected development of their customer needs, including anticipated needs (Appelbaum et al., 2017).
- *Adaptability* is the organisational ability to adapt to new situations and the capability to modify business processes for a new purpose or use. Adaptability could refer to a fundamental shift in management philosophy and operating system that empowers an organisation to survive and grow (Eggers and Park, 2018).

- *Resilience* is an organisation's capacity to survive, succeed and develop in spite of adversity. Organisational resilience refers to the organisational capability to absorb a shock, regenerate quickly and continue to function after a disturbance and return to a state of equilibrium: either its initial state or a new equilibrium. It is the ability of a system to function after a disaster or in the presence of persistent pressure (Manfield and Newey, 2018).

Dar and Mishra (2019) argue that SMEs is being a multi-dimensional construct, and Harraf et al. (2015), set organisation agility at three levels, leadership, organisation and function as shown in Table 1. Each level contributes differently to organisational agility but in an integrated manner.

Table 1 Levels of organisation agility

Leadership level	A leader's readiness and capability to take reflective actions and new strategic initiatives that are visionary, and stimulating employees towards achieving this new initiatives
Organisational level	An organisational design that is animated by robust customs supporting creativity, participation, mutual trust and collaboration
Functional level	An operations system that is able to respond gracefully to an unexpected situation, able to change fast and responsive

In the context of organisational agility, investing in advance technology, research and development, strategic planning and knowledge management are the backbone of agility in larger organisations (Kamhawi, 2012; Gunsberg et al., 2018; Wahyono, 2018). Other researchers believe that agility and the development of dynamic capability are intertwined (Hemmati et al., 2016; Nejatian et al., 2018). Scholars identified several aspects and attributes are relevant to support the notion of organisational agility (Gunasekaran et al., 2019). Table 2 illustrates these attributes aspects and practices adopted form the works of Dahmardeh and Banihashemi (2010), Harraf et al. (2015), Appelbaum et al. (2017), Gunsberg et al. (2018), Wahyono (2018) and Pulakos et al. (2019).

In short, agility is the organisational capability to respond with flexibility, reactivity and innovation to the various fluctuations in the external environment, by adjusting the organisation's internal environment and efficiently and effectively offering new services and products that correspond to the desires of its customers (Nejatian et al., 2018; Baškarada and Koronios, 2018). Nevertheless, this concept of agility has been linked to several areas in the business world, such as the agility of competitors, the agility of supply chains, the agility of business relationships, the agility of decision support systems, the agility of the workforce and the agility of the workplace (Battistella et al., 2017). Thus, there are many attributes of agility, which differ depending on the field of application. These different attributes of organisational agility have been designed with reference to large companies, but what about SMEs? What does research on agility in SMEs offer?

Table 2 The attributes of an agile organisation

<i>Aspect</i>	<i>Organisational agility practices</i>
Strategy	Communal vision and purpose
	Recognising and sizing opportunities
	Flexible resources allocation
	Actionable strategic leadership
Competitive priorities	Development speed
	Fast delivery
	Mass customisation
	Flexibility
Structure	Top quality
	Flat structural design
	Clear responsibility and accountability
	Hands-on governance
Culture	Robust communication and coordination practices
	Entrepreneurial culture
	Innovation oriented
	Great involvement and participation
Process	Teamwork
	Continuous improvement
	Ongoing learning
	Fast experimentation and iteration
People	Performance-orientation
	Effective knowledge management system and information transparency
	Standardised way of working
	Action-oriented and fast decision-making
Technology	Working team and Consistent community
	Entrepreneurial-oriented
	Roles mobility
	Talent and empowered
Technology	Process-oriented system and technology
	Flexible and adaptable manufacturing technology

2.1 The agility of SMEs'

SME is an abbreviation for SME – companies that are considered neither very small nor very large. The measures for defining an SME vary between different countries (Mittal et al., 2018). Generally, the classification of an SME is based on the number of employees. For instance, in the European Union (EU), a business with less than 250 employees, is measured an SME, whereas in the USA an SME has less than 500 employees (Hillary, 2017). On the other hand, Bridge and O'Neill (2017) identified different characteristics to distinguish SMEs other than their size, where SMEs are price-takers rather than price-makers, and have limited customers and product-base. In

Jordan, small enterprises have less than ten employees and less than JD 30,000 as a registered capital, where medium enterprises have less than 249 employees and more than JD 30,000 a registered capital (Al-Afeef, 2020).

SMEs experience ambiguity accompanying with greater variety of purposes when compared with large organisations (Ates and Bititci, 2011). In general, all SMEs share common characteristics regardless of industry and the local market, including:

- 1 a dependence on few employees
- 2 an emphasis of a fewer number of products and services
- 3 a simple business structure with a tendency to reduce hierarchical levels and the size of structure
- 4 centralised decisions
- 5 non-formalisation strategies
- 6 targeting specific small niche markets with a single product or few products or services (Hillary, 2017).

Meanwhile, SMEs are assumed to be substantial in supporting economic development within any country. For example, in Jordan, SMEs account for 98% of all private-sector firms, contributing 45% to the country's gross domestic product (GDP) and they employ more than 75% of the total workforce (Al-Afeef, 2020).

Many studies argue that SMEs are more capable to utilise flexibility than large organisations, which is largely due to the special characteristics of SMEs, such as the size of the organisation, the size of capital investments and the types of products and production process (Arbussa et al., 2017; Krishnan and Scullion, 2017). Still, investigation on the agility of SMEs is at an emergent phase. Indeed, researchers have already taken an interest in the flexibility factors of SMEs, in particular in terms of production flexibility (Mishra, 2016), as well as in terms of innovation and creativity (North and Varvakis, 2016), and even in terms of agile HRM practices (Gurahoo and Salisbury, 2018). Nevertheless, few works have been done in terms of organisational agility of SMEs. For instance, Bessant et al. (2001), studied the agility of SMEs in the UK, with more emphasis on the construction of strategic partnerships and learning networks to develop dynamic capacities and ensure sustainable agility. Bayraktar et al. (2009) highlight the significance of information systems in SMEs agility and more particularly in production processes. Consequently, a conceptualisation of the agility of SMEs has not been discussed in the literature. Hence, there is a need to contribute to this research area and reflect more deeply on this field. The rest of this article therefore offers an empirical study of furniture SMEs in Jordan, with the aim to support and detect the attributes of their agility.

Building on presented literature, this study uses the definition of agility by, Harraf et al. (2015), which focuses on the determinates of SMEs agility (i.e., innovation, flexibility, responsiveness, adaptability and resilience) with the attributes of an agile organisation (strategy, competitive priorities, people, structure, culture, process and technology).

3 Research methodology

This study employs a qualitative approach (Eriksson and Kovalainen, 2015), and aims to explore the attributes of the agility of furniture SMEs in Jordan. The production of the furniture industry in Jordan covers the needs of the local market of kitchen products, office furniture, home furniture, school halls, medical furniture, hospitals and hotels. According to Jordan Chamber of Industry (2018), there were 3692 SMEs operating in the furniture industry in Jordan. Most of these firms have obtained ISO 9001 and other International quality standards certificates, in addition to using advance technologies to meet international quality standards. Nevertheless, the Jordanian furniture industry is currently facing great pressures due to the domination of imported products over local production. This study has been developed to support Jordanian SMEs agility.

Semi structured interview questions have been developed to explore organisational agility in Jordanian Furniture SMEs. The interviews questions have been stemmed from the theoretical conceptualisation of the organisational agility determinants: innovation, flexibility, responsiveness, adaptability and resilience. In addition, follow up questions regarding organisational agility practices were added. The interview questions were reviewed by two experts in order to remove any unambiguity and improve wordings of the interview questions.

Two databases were used to identify SMEs – the Jordan Chamber of Industry and the Syndicate of Wood Industries and the Furniture Sector in Jordan. Participants were selected based on the connivance sampling technique and the data was collected based on semi-structured interviews, which is an effective tool in capturing the concerns and behaviours of actors. The participants were the directors, senior managers of different job titles within operations such as sales, production, and supply chain management. They were invited to freely give their opinions on elements that favour or hinder their integration into the dynamic business environment. The sample size was determined progressively according to the theoretical saturation criterion. A saturation point is reached when no data comes to feed the information previously collected. As indicated in Table 3, the formed sample thus included 53 SMEs spread over different geographic areas of Jordan. All interviews were reordered to produce transcripts so that the researchers can refer to the transcripts at any point of analysis. This procedure help improves the validity and reliability of this study.

Table 3 Interviewees' profile number of interviews job title SMEs size (number of employees)

<i>Number of interviews</i>	<i>Job title</i>	<i>SMEs size (number of employees)</i>
2	Sales manager	< 50
5	Procurement director	< 50
7	Supply chain manager	< 50
8	Production manger	< 50
9	General manger	50–100
10	Managing director	100–150
12	CEO	150–200
53	Total	

The data analysis was carried out using (Braun and Clarke, 2006) thematic analysis framework, which aims to represent a logically consistent and structured approach to the analysis of qualitative data. This involved identifying the key items addressed by the interviewees and corresponding them with the subject under study. Table 4 shows an example of data analysis based on direct quotations from the study participants.

Table 4 An example of data analysis

<i>Quotations</i>	<i>Coding</i>	<i>Themes</i>
“It is crucial not to assume customer needs but rather to validate them at each stage, thanks to small rapid deliveries. We can adapt as we go along, while keeping an eye on what the competition is doing so as not to be left behind by it”	Continues improvement	Innovation
“We have to develop an environment that supports creative thinking and efforts of innovation to generate new or improved products, services or processes”	Innovation culture	
“Employee flexibility is a key trait of our agility. It includes the employees’ willingness and ability to respond to changing circumstances and expectations readily”	Employees flexibility	Flexibility
“Having a close relationship with our customers support our reactivity and reacting quickly and positively”	Customer relationship	Responsiveness
“Offering extra services contributes to our ability to anticipate, recognise future customers’ needs”	Service orientation	
“Placing customers, customer needs ‘, and customer satisfaction at the core of our business decisions enhances our capacity to change and cope with new customers’ needs”	Customer orientation	Adaptability
“Many business problems exceed our capacity and we can overcome these problems by working with other partners which support our ability to adapt and cope with dynamic changes in the business environment”	Collaboration	Resilience
“To survive, we have to leverage our capabilities through exchanging resource”	Resource sharing	

4 Results

For the present research problem, it was relevant to identify the factors that have an influence on the success of the integration of SMEs in their disturbed context. Thus, the data analysis was oriented towards supporting and detecting the attributes of the organisational agility of furniture SMEs in Jordan, emphasising the notions of innovation, flexibility, responsiveness, adaptability and resilience as the core aspects of organisational agility.

Based on the literature review of agility (see Tables 1 and 2) and interview findings, a conceptual framework that provides a basis for advancing SMEs agility research from a multilevel perspective has been proposed as shown in Figure 1.

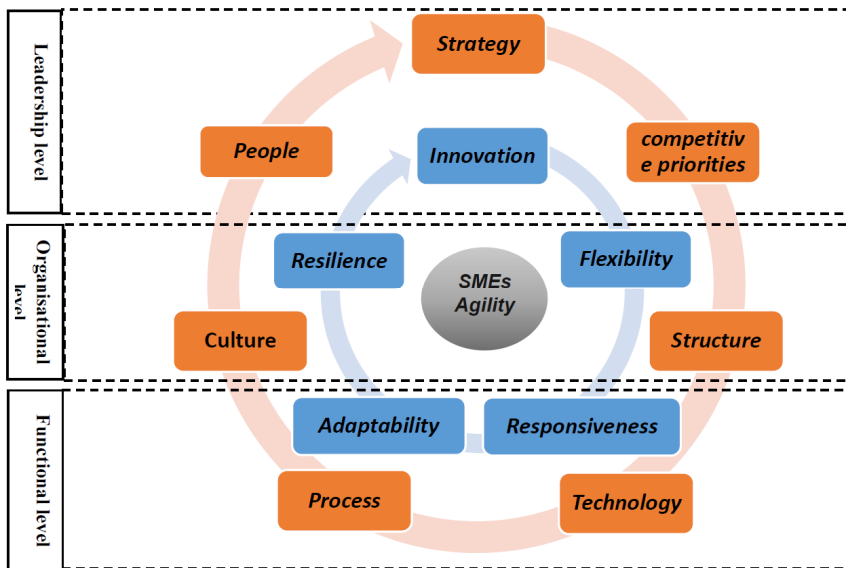
For SMEs agility, the findings reveal that organisational agility dimensions (innovation, flexibility, responsiveness, adaptability and resilience) which were proposed by Harraf et al. (2015) can be integrated into the attributes of an agile organisation

(strategy, competitive priorities, people, structure, culture, process and technology) in one framework within three levels

- 1 Leadership level: The innovation is a driver for, people, strategy and competitive priorities.
- 2 Organisational level: The organisational culture and structure of the SMEs are enables of resilience and flexibility.
- 3 Functional level: The organisational adaptability and responsiveness are drivers for process and technology.

This framework extends Harraf et al. (2015) model by linking the multiple dimensions and attributes of agile organisation in the SMEs context. These dimensions and attributes are explained in sub-sections below.

Figure 1 Multilevel agility framework (see online version for colours)



4.1 Innovation

On average, SMEs are less innovative than large companies (Rivera, 2017). Nevertheless, furniture SMEs in Jordan have transformed. These types of companies have sought technology as a tool to boost their competitiveness, even when access to these types of solutions is not easy. They have always been aware that their survival was based on operating in terms of efficiency and profitability – like their larger counterparts – and to fully exploit their most powerful differentials – agility and flexibility. Still, the innovation aspect of furniture SMEs in Jordan is difficult.

Furthermore, they face difficulties in obtaining the latest technology tools due to variables such as the initial investment or a concern for maintaining and updating high-tech platforms.

Thus, innovation in furniture SMEs in Jordan could result from the continuous improvement and development of new methods of production, as well as changes in product components. This finding is in line with some previous studies that indicate the importance of innovation in SMEs in Jordan. For example, Ayoub et al. (2017) find that knowledge management has a positive effect on technical innovation. The value proposition to the client is not limited exclusively to providing a solution in question to the problem of the moment, but above all, an SME must develop a relationship of mutual cooperation, which includes frequent reassessments and reorientation according to demand.

An innovation-related culture results in making business innovation more accessible to SMEs. According to Rivera (2017), management support and reward systems that are stimulating are at the core of this innovation-related culture. The logical chain of indices and evidence has made it possible to highlight the attributes of innovation into three main dimensions. First, it is essential to define an objective of innovation. Second, it is necessary to establish both short and long-term planning, which allows for a visualisation of the current and future situation of the company. Finally, the pre-existence of an innovative culture and a team that supports and sustains it is essential. All team members should see innovation as a process of common change, whose objective is the search for a better position in the market.

4.2 Flexibility

Flexibility means limiting dependence on a limited number of products that may be subject to price fluctuations or decreased situational demand. This in turn requires capital investments in terms of modern production systems and technologies (Srinivasan and Swink, 2018). This represents a real challenge for furniture SMEs in Jordan. Hence, human resources are the main aspect of flexibility. Furniture SMEs in Jordan could benefit from a high level of versatility of employees, and further benefit from their ability to mobilise their staff with great attention to the positive effects on productivity. Human resources offer SMEs the ability to exploit opportunities that arise within its established business model more effectively and faster than their competitors via the right people, with the right skills and the right tools. Thus, employees and their involvement and empowerment appear to be the determinants of SMEs' flexibility. The involvement of employees results in new ideas, new solutions, problem solving methods and commitment. On the other hand, empowering employees involves providing them with room for manoeuvre, which allows them to express their creativity and their spirit of initiative. Here, training plans to optimise tasks and promote learning and knowledge transfer are important for SMEs. Additionally, upward and downward communication encouraged by managers to integrate staff, which makes them responsible and makes them participate in the company's product development and marketing strategy are also importance for SMEs to enjoy a reasonable flexibility. This in line with the findings of Arbussa et al. (2017) in which they confirmed that flexibility has SMEs flexibility has a positive impact on the firm performance.

4.3 Responsiveness

SMEs should be able to sense and size-up customers' demands in terms of quantity and quality (specification) (Baškarada and Koronios, 2018). According to the findings this

requires a close customer relationship. Service-orientation has been found to be a key element of SMEs' responsiveness. It is recommended that furniture SMEs in Jordan should offer additional customer services. The benefits of offering of additional services are twofold. First, offering services leads to a close customer relationship, as customers are called upon to participate in the design of the models without any financial compensation. These services have the merit of helping build the loyalty of principals, whose choices are not always dependent on price, but on relationships of trust between partners. These services on offer can also be a significant development engine, particularly in the acquisition of new skills. Second, offering additional services helps companies stand out from their competition and can better compensate for financial loss borne by their customers compared to those who approached low-cost countries like Egypt and China. For instance, some of these companies agreed to manage (without financial compensation) the storage of goods already sold on behalf of their customers, who are therefore exempt from storage costs.

4.4 Adaptability

The objective of SMEs' adaptability is to understand the strategic adaptations of a long-term organisation. This adaptation is understood as a process of regulation of external and internal aspects. External aspects represent dynamic changes in the business environment. This dynamic change is supplemented by internal aspects, which represent the guide for organisational decisions and actions (Eggers and Park, 2018). Organisations may choose between adopting a response that fits the new circumstances in the external environment or attempting to shape the circumstances in order to allow them to conform to the way in which the organisation is operating (Ates and Bititci, 2011).

Bearing in mind the features of SMEs, customer orientation is the key element of SMEs' adaptability. SMEs must produce their supplies at the request of customers and in a timely manner. Production only begins once the firm's order from the contractors has been received. Adopting differentiation and high quality production as the main aspect of customer orientation relates to the creation of brands and the manufacture of new product ranges. This entrepreneurial strategy aims to create unique styles that are different from those of their competitors, thereby justifying a larger profit margin. It is a proactive strategy that supports the development of the dynamic capacities of SMEs, stimulating their agility over time. Thus, furniture SMEs in Jordan are recommended to produce medium to superior quality products and to abandon basic quality products in favour of low-cost countries. This requires adopting and multiplying the control procedures at different stages of production and requires respecting the specifications. This brings together all the customers' requirements in terms of quality, traceability, environmental standards and social charter. In addition, a high-quality orientation helps with obtaining international quality certificates that may support the strategic position of SMEs. Here, the adoption of a project management methodology as an operation system has been suggested for furniture SMEs in Jordan, since it allows for a greater customer focus, a wider variety in production and increased customer satisfaction.

4.5 Resilience

Organisational resilience is an intrinsic quality of an individual organisation, which allows it to overcome suffering, to learn from painful experiences and to become

stronger. However, this aspect of resilience is difficult develop in the context of SMEs, where the company size and the size of its assets play a significant role in the organisation's ability to regain its initial shape after receiving a shock (Manfield and Newey, 2018). In the line of previous studies (e.g., Sansone et al., 2017; Manfield and Newey, 2018; Gligor et al., 2019). This study finds that the resilience of SMEs presupposes three dimensions that are strongly intertwined with each other:

- 1 an absorption capacity, allowing the company to avoid collapse in the face of unexpected events or shock
- 2 a capacity for renewal, by which it can invent new futures
- 3 a capacity for appropriation, allowing them to become stronger from their experiences.

In this context, resilient SMEs must face four challenges:

- 1 a cognitive challenge, given that they need to be realists when facing changes and must be aware that they will affect the organisation
- 2 a strategic challenge, which requires having the capability to imagine new strategic alternatives when facing a deteriorating strategy
- 3 a political challenge, which requires reallocating resources in order to backing any talented activities for the future and also requires abandoning the products operations system of the past
- 4 an ideological challenge, which consists of instilling a proactive approach and focusing on the constant pursuit of new opportunities.

Collaboration with external partners, therefore, is considered the main aspect of resilient SMEs. Many business problems exceed the capacity of any single organisation. SMEs can provide better services to customers by working together in terms of value co-development and resource sharing. Resource sharing results in better outcomes than either party could achieve alone. Their objective is to integrate high value added processes, such as design, and to take advantage of synergies between companies.

5 Conclusions

This research study has addressed the agility of furniture SMEs in Jordan. Agility is commonly related to the applications of new operational technologies, along with research and development in the company. However, agility in SMEs is based on the redefinition and optimisation of their processes. SMEs have several advantages in terms of agility compared to large organisations, as their medium and small size offers them dynamism, superior flexibility and better responsiveness to changing situations. However, some barriers that they encounter include the difficulty of financing, a lack of specialists, or a lack of resources. The present study finds that SMEs do not adopt agility in the same way as larger organisation. SMEs have understandable resource constraints and their financial frictions represent a severe obstacle to the development of the agility of SMEs.

Thus, this study has explored the application of agile models based on five determinants, which include innovation, flexibility, responsiveness adaptability and resilience. SMEs are called upon to continuously innovate in order to differentiate themselves from competitors and create need among customers. They must generate interest and capture the attention of customers who have become volatile and ever-changing. This innovation ability of SMEs results from management support and reward systems. The flexibility of SMEs is dependent upon human resources and their capability to exploit the opportunities that arise within its established business model. This is supported by employees' involvement and empowerment. Service provision is the main provider of SME's responsiveness. Offering customised services increases customer value and creates a close long-term customer relationship. On the other hand, a customer orientation and high quality production are two of the areas in which SMEs adaptability can converge to gain greater agility. A proactive strategy helps with the development of the dynamic capacities of SMEs and stimulates their agility over time. Collaboration is the key to building organisational resilience. It is vital for SMEs to work closely with others to expand their ability to survive and continue through synergic capabilities.

From a practical perspective, this study has proposed that the agility of SMEs is attained through a mix of innovative managers, empowering people, customer orientation, service provision and collaboration. Thus, one of the responsibilities of SME managers is to build an organisational culture that rewards innovation and the development of new ideas. Training and coaching is another responsibility. Investing in training and reward systems and empowering and respecting employees are the key success factors towards applying agile methods into SMEs. This study, like other studies, is with limitations. Certain limits related to the size of the sample and the context of the study remains. Future research will notably aim to quantitatively test these results with a larger sample of SMEs. They will also try to test this conceptualisation in other sectors of SMEs.

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