



Improving Customer Responsiveness Agility Through Leadership Styles; Mediating Role of Employee Empowerment

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ABSTRACT

BACKGROUND: Palestinian universities are suffering from many problems in terms of organizational performance and its ability to agile. **OBJECTIVE:** The present study aims to examine the mediating role of employee empowerment between transactional and transformational leadership styles and customer responsiveness agility. **RESULTS:** The results of this study revealed that transactional and transformational leadership styles impact customer responsiveness agility indirectly, whereas, the relationship between transactional and transformational leadership styles and customer responsiveness agility is mediated by employee empowerment. **CONCLUSION:** Transactional and transformational leadership styles in Palestinian universities develop and generate the customer responsiveness agility, and employee empowerment as a mediator enhances this relationship.

Keywords: transformational leadership style, transformational leadership style, employee empowerment, and customer responsiveness agility

INTRODUCTION

In today's dramatically changing and dynamic business environment, it has become compulsory for university leaders to clearly understand and assess how different types of students behave when evaluating various universities and colleges to fulfill their academic needs. This is because student responsiveness provides the cornerstone for university differentiation (Ravichandran, 2018). Responsive agility refers to the ability of the university to perform an efficient response to the changing students' wants and demands (Herman et al., 2018). So, universities have to observe the indicators and signs from external and internal environments and respond quickly and adequately (Ravichandran, 2018). Moreover, they must be agile to state the matter differently (Rulinawaty & Samboteng, 2020). Past research concluded that universities eligible to respond speedily and innovatively to its environmental changes have been able to develop their performance (Asadi et al., 2017). Moreover, Organizational agility assists universities to handle the environmental changes efficiently and speedily, to improve quality (Sohrabi et al., 2014), to use developed technology adequately, to achieve superiority in the labor market, to cut their costs, ideal use of firm resources, to increase productivity, to provide assortment services (Al-Romeedy, 2019), and to have a competitive advantage (Ashori et al., 2015).

Furthermore, Palestinian universities face many problems affecting their performance and capability to agile. The Palestinian center information revealed that the education sector in Palestine has many challenges (1) fund raising problems, (2) scientific research obstacles, (3) management practices problems, (4) lack of employee efficiency (Center, 2018). Other scholars concluded that Palestine's academicians have difficulty using e-learning midst COVID-19 Pandemic, and local universities demand to improve their strategies and contingency plans (Rashwan, 2020). Traditionally, many scholars tested many internal organizational

variables and their impacts on university performance. But, studies on capabilities and resources that help organizations to be agile are still resultant (Ravichandran, 2018). And this rareness of agility studies represents the motivation to conduct the present study. Hence, this study examines the relationship between internal organizational variables and organizational agility. More specifically, it focuses on the effect of leadership styles (transactional and transformational) on customer responsiveness agility through their impact on employee empowerment.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Leadership styles

Leadership has many definitions. It is defined as influencing followers to achieve predetermined goals (Perez, 2017). Leadership is a managerial tool aiming to solve human problems. It enables individuals to work together effectively and efficiently to attain better results (Biech & Blanchard, 2010). Leadership is the systems, values, principles, and practices adopted by the firm's management to improve its future. Leadership affects both leaders and followers (Kotamena et al., 2020). Organizations are looking at ways to develop effective leadership, which reflects how the employees interact with other firms' culture, organizational structure, and the external environment (Avery & Bergsteiner, 2011). Practically speaking, conditions, followers, organization, and natural talents are the main elements that create leaders. Also, leaders must have the following characteristics: vitality, persuasiveness, deduction, responsibilities, and intellectual capabilities (Mc Cleary et al., 2013). Also, the real personality of workers can be seen through influential leaders (Schuh et al., 2012). In addition, leaders contribute to organizational values formation, customer orientation, and quality orientation (Auh et al., 2014). Theoretically, leadership and customer responsiveness agility can be linked via resource-based view theory (RBV). Leadership style can be classified as a resource under the RBV theory (Todorovic & Schlosser, 2007). And the optimal achievement of RBV theory is to achieve customer satisfaction (Brahma & Chakraborty, 2011). And customer responsiveness agility is conceptualized as the degree to which an organization can sense and respond to customer-based opportunities for innovation and competitive action (Ravichandran, 2018).

Leadership style is the pattern of behaviors leaders disclose when working with and through others (Salahat et al., 2016). It describes how leaders deploy their talents, judgment, values, knowledge, and attitudes to lead others (Rad et al., 2010). Leadership style includes two significant dimensions: task and interpersonal relationships (Ali et al., 2013). Furthermore, the importance of leadership style comes from its multi-directional impact on the organization. For example, it affects firm performance (Nauman et al., 2010). Similarly, it has a significant effect on service quality (Castle & Decker, 2011), employee performance (Lam & O'Higgins, 2012), and organizational commitment (Kohlmeyer III et al., 2014).

However, a deeper understanding of the role of leadership styles in organizational agility is crucial (Akkaya & Tabak, 2020). Globalization and rapid technology change have led to a hyper-competitive environment (D'Aveni et al., 2010). These challenges attracted top managers to recognize the importance of agility (Akkaya & Tabak, 2020). The Economist Intelligence unit survey claimed that about 90% of senior managers surveyed globally believe that organizational agility is vital for organizational success (Glenn & Stahl, 2009). However, scholars still have a limited understanding of the role of leadership styles in management within organizational agility. Few studies examined the relationship between leadership styles and organizational agility (Akkaya & Tabak, 2020), and this gap in literature motivates me to perform the present analysis on whether transactional and transformational leadership styles in universities affect customer responsiveness agility or not.

Transactional Leadership Style

Transactional leadership style means attracting the subordinates through their self-interests by establishing exchange relationships (Purwanto et al., 2019). It also describes the leader's ability to manage the behaviors of employees and the organizational resources to achieve short-run goals (Supriadi et al., 2020). The effectiveness of the transactional leadership style depends on the leader's success in achieving the organization's predetermined objectives by assuring the fulfillment of the subordinates of their obligations and monitoring them (Bowers et al., 2017). Leaders deploy the rule of 'benefits exchange' with the employees. Employees get rewards for their excellent job, and the organization achieves its objectives (Chaudhry et al., 2012). Transactional leaders motivate the subordinates by attracting them to their self-interests. Thus, leaders and followers are a part of the exchange process; both are looking to meet their benefits (Wen et al., 2019).

The transactional leadership style has three components: contingent rewards, active management-by-exception, and passive management-by-exception (Willis et al., 2017). Contingent rewards refer to how a leader illustrates what has required and the roles of subordinates in achieving organizational objectives (Puni et al., 2018). Management-by-exception (active) refers to the continuous concentration on performance standards to assure that the objectives are achieved. Finally, management-by-exception (passive) has an unfavorable name; leaders just make interventions when mistakes have already been made or when the followers did not follow the regulations or fulfill contractual obligations (Willis et al., 2017).

Theoretically speaking, the transactional leadership style affects customer responsiveness agility through the RBV theory and the contingency theory. Contingency theory considers that effective leadership relies on the degree of the fit between leadership style and leader's quality and what is required by a specific environmental situation (Amanchukwu et al., 2015). And organizational agility (customer responsiveness agility) affects the organizational performance concerning products and services delivery and

facilitates the affairs related to the organization, and it plays a vital role concerning customers and the related services (Khoshlahn & Ardabili, 2016). Leadership styles are related to specific aspects of organizational agility, such as being externally oriented, people-oriented, and long-term orientation. When the previous factors are present in organizational leadership styles, the leadership styles demonstrate organizational agility (Akkaya & Tabak, 2020). Empirically, some scholars examined the direct relationship between leadership styles and organizational agility and concluded that transactional leadership style has a positive and significant relationship with organizational agility (Akkaya & Tabak, 2020; de Oliveira et al., 2012). Some previous studies examined the relationship between transactional leadership styles and organizational agility, but the relationship between transactional leadership styles and customer responsiveness agility has not been reviewed in prior literature. And this is the first gap of the present study. Based on that, the present study hypothesizes the following:

H1: There is a significant positive relationship between transactional leadership style and customer responsiveness agility.

Transformational Leadership Style

A transformational leader is a leader who extracts from the subordinates more than what they think they can (Obiwuru et al., 2011). A transformational leader motivates the followers to achieve results beyond their expectations (Purwanto et al., 2020). He or she plays a vital role in affecting organizational perceptions and outcomes (Getachew & Zhou, 2018). Moreover, he or she can positively improve the performance of the employees in the long run. Through productivity and creativity, they reinforce the awareness of employees (Lan et al., 2019). Transformational leadership style helps followers to understand organizational objectives and values. This style forces the leader to find new ways to empower and motivate the followers towards the desired results. In other words, a transformational leader enables the followers to achieve new levels of abilities and performance and to put the organizational goals over their personal objectives (Wang et al., 2014).

Transformational leadership consists of five major characteristics: (a) idealized influence (attributes), it describes to the charisma of the leader; he or she has self-confidence, a source of power, and has strong ethical values, (b) idealized influence (behavior) which is related to the leader's behaviors, which is based on values and clear goals, mission and vision, (c) inspirational motivation which is represented by how the leader can draw a positive picture for the future of the followers by motivating and clarifying how their objectives are achievable (Gobaw, 2017), (d) intellectual stimulation which describes how leaders can motivate and encourage the followers to be creative and develop their abilities towards problem solving (Bass, 1985; Hu et al., 2012), and (e) individualized consideration which refers to the leader's ability to participate in self-actualization of the followers by working on making them satisfied besides providing the needed advice and continuous support (Anwar, 2017).

As mentioned earlier, the transformational leadership style affects customer responsiveness agility through RBV and contingency theories. Transformational leadership is purported to affect customer responsiveness agility since it plays a critical role in developing the responsive capabilities of employees and the level of service innovativeness. Service responsive capability is the ability of the employee to satisfy customers' needs through effective and quick response (Ovezmyradov & Kurata, 2019). Transformational style can play this role through its unique behavioral components, inspirational motivation, idealized influence, intellectual stimulation, and individualized consideration. So, the leader becomes a coach and mentor to the followers who will develop skills and techniques that could help them in various ways, such as fulfilling the diversified customer's needs (Ihuoma et al., 2019). Some past research examined the relationship between transformational leadership style and organizational agility (Akkaya & Tabak, 2020; Khoshlahn & Ardabili, 2016), but the effect of transformational leadership style on customer responsiveness agility has not been examined the literature review. And this is the second gap of the present study. Based on that, the present study hypothesizes the following:

H2: There is a significant positive relationship between transformational leadership style and customer responsiveness agility.

Past research revealed that the impact of the leadership styles (transactional and transformational) and organizational agility has many contradictions. Some scholars concluded that the relationship between (transactional and transformational leadership styles) and organizational agility is positive and significant (Akkaya & Tabak, 2020; de Oliveira et al., 2012). On the other hand, others assured no direct relationship between organizational agility and examined this relationship via mediators (Khalid et al., 2020; Veiseh & Eghbali, 2014). Based on this debate about the relationship between leadership styles (transactional and transformational) and organizational agility (including customer responsiveness agility), this paper deployed employee empowerment to mediate the relationship between leadership styles and customer responsiveness agility.

More importantly, the major contribution of the current study is using employee empowerment as a mediator among (transactional and transformational leadership styles) and customer responsiveness agility. This is because it has not been used earlier based on the literature review. The following section shows employee empowerment.

Employee Empowerment

Employee empowerment refers to the authority placed in employees' hands, specifically the control over the responsibilities and the use of organizational resources to capture the corporate objectives (Emam et al., 2019). Furthermore, it refers to the maximum

employment of workers, their autonomy and contributions in decision making or application of leadership, feelings of competence (Erdavit et al., 2019). Therefore, authority is defined as a managerial prerogative. Furthermore, the concept of employee empowerment clarifies the new scopes of the decision-making process and describes how it can reinforce the organization's performance as employees and leaders are engaged in decision-making (Purnomo et al., 2020).

Empowerment helps workers feel that they are a core part of the success of their organization. It creates high commitment among employees and develops a high loyalty to the organization. (Ihuoma et al., 2019). In addition, empowerment leads to better use of the knowledge, skills and capabilities of the human capital, it reinforces team working, it will lead to effective implementation of change programs and if there is actual participation (Mohapatra & Sundaray, 2018). Furthermore, the outcomes of employee empowerment can be accomplished when employees gain the demanded incentives to perform their duties and responsibilities and decide without referring to upper managerial levels (Alromaihi et al., 2017). Along the same line, employee empowerment turns into a well-known practice worldwide since about 70% of the firms worldwide have adopted and executed some empowerment initiatives among their employees (Hasan, 2020).

In a competitive market, every worker has her or his role to perform. In this way, value can be created and added to serve customers special (Nasiri et al., 2018). Along the same line, organizations must be good learners, faster and produce a better quality of service, be more effective and efficient, and more beneficial, and conditions make the role of having empowered and proactive service employees more critical (Alalie et al., 2019). An authorized employee represents vital tools that help the organization in its sustainability wars. Through empowerment, the organization's leadership provides the employee with vision and incentives, increasing productivity, performance and motivation. When workers get empowered, they will often create new tools and procedures and even brands that encourage innovation (Murray & Holmes, 2021).

As mentioned above, the present study uses employee empowerment as a mediator in the relationship between leadership styles (transactional and transformational) and customer responsiveness agility. A mediator is used to explain why or how the IVs impact the DV. A variable acts as a mediator when it meets three conditions:

1. Variations in levels of the independent variable significantly account for variations in the mediator;
2. Variations in the mediator significantly account for variations in the dependent variable;
3. When conditions 1 and 2 above are controlled, a previously significant relation between the independent and dependent variables is no longer significant (Baron & Kenny, 1986).

The mediating role of employee empowerment between leadership styles and customer responsiveness agility

Theoretically, the link between organizational agility and employee empowerment can be interpreted via the contingency theory (Rastegari et al., 2020; Read III, 2020). This is because the dramatic changes in the business environment have had a huge effect on employers and employees' relationships during the thirty years. Moreover, nowadays, organizational relationships focus on increasing organizational flexibility and simultaneously developing the performance of employees (Shukla et al., 2018). Therefore, many organizations use the philosophy of empowerment as a retention strategy because it can build an intended environment, help the employees to improve their leadership capabilities and skills and boost cooperative working relationships (Salahat, 2021). On the other hand, the sustaining ability of many organizations is negatively affected by inconsistency or incompatibility with environmental changes (Abtahi & Abbasi, 2007). Therefore, rapid changes in the current business environment need high levels of organizational flexibility to ensure their sustainability, improve empowerment, and give the employees the required freedom of action became a vital way to reinforce performance and actualize survival (Asgarnezhad Nouri & Mir Mousavi, 2020). Empirically, prior research revealed that few scholars examined the effect of employee empowerment on organizational agility (Elgamal, 2018; Horabadi Farahani & Salimi, 2015) and revealed that employee empowerment has a positive relationship with organizational agility.

Along the same line, leadership styles and employee empowerment can be linked through the resource-based view (RBV) theory. This is because Leadership style can be classified as a resource under the RBV theory (Todorovic & Schlosser, 2007). From RBV perspective, by harnessing rare and valuable human resources in organization's culture, employee empowerment practices make an organization's human capital very difficult for rivals to imitate and substitute (Huselid, 1995). This is because human resource is one of the most important resources of the firm, and employee empowerment practices are thought to reinforce organizational performance by unleashing employees' strategic value (Yin et al., 2019). Moreover, many studies examined the empirical relationship between leadership styles and employee empowerment (Hoque, 2018; Men & Stacks, 2013), and concluded that there is a significant positive relationship between leadership styles and employee empowerment. Based on the previous discussion, the present study hypothesizes the following:

H3: Employee empowerment mediates the relationship between leadership styles and customer responsiveness agility.

H3a: Employee empowerment mediates the relationship between transactional leadership style and customer responsiveness agility.

H3b: Employee empowerment mediates the relationship between transformational leadership style and customer responsiveness agility.

The above paragraphs showed the literature review and present study hypotheses. Moreover, the theoretical framework is clarified in Fig.1. Below:

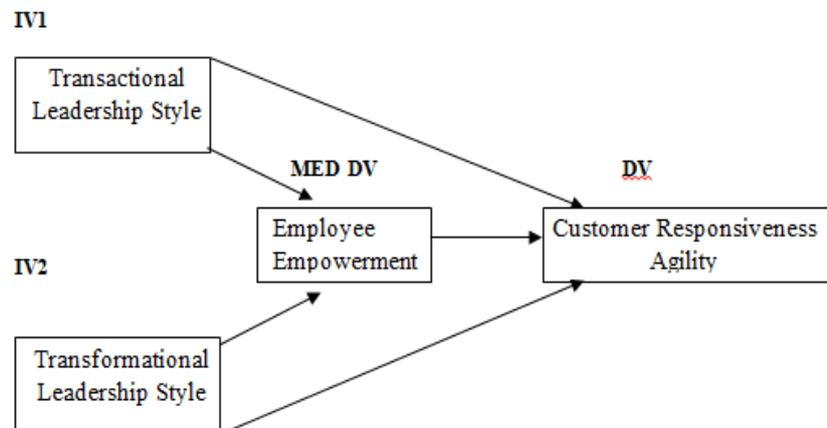


Fig.1. Study Framework

RESEARCH METHODOLOGY

The survey questionnaire was personally distributed to the Palestinian university's employees in the West Bank. A total of 335 questionnaires were distributed in the period between December 2020 and January 2021. A total of 297 questionnaires were returned. Eight of the returned questionnaires had major missing answers. Consequently, a total of 289 completed questionnaires, which represent a response rate of 86.2%, were used to perform data analysis. In addition, the author performed a t-test for the early and late response as suggested by (Armstrong & Overton, 1977) to test response bias. No statically significant differences were found in the mean score on the transactional and transformational leadership styles, employee empowerment, and customer responsiveness agility between the early and late respondents.

VARIABLES MEASUREMENTS

This study is based on the model illustrated in Figure 1 above; customer responsiveness agility (DV) was designed and measured based on previous research in the field of organizational agility (Ravichandran, 2018). Respondents were asked to choose their preferences from a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Transactional leadership style and transformational leadership styles (the IVs of the study) were measured based on previous researches in the field of leadership styles (Bass, 1985). Respondents were asked to choose their preferences from a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Similarly, employee empowerment (the mediator) was measured based on previous research in the field of employee empowerment (Laschinger et al., 2001); respondents were asked to choose their preferences from a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

DATA ANALYSIS AND RESEARCH RESULTS

The collected data were processed by using SmartPLS 2. Table 1 shows outer convergent validity statistics for all items concerning their variables. All factor loading of the research measurements exceeds the cut-off 0.70, which reflects the consistency between construct items (Hair et al., 2010).

Along the same line, the reliability test of the present study was confirmed as all values of composite reliability exceed the recommended cut-off 0.70 and range between 0.837 to 0.942, as illustrated in Table 1. Furthermore, the recommended standard value of average variance extracted (AVE) was found to be greater than 0.50, to ensure that the latent variable has the ability to explain more than half of the variance of its indicator on average (Fornell & Bookstein, 1982). Finally, a latent variable correlation that tests the correlations between the measures of potentially overlapping constructs is presented in Table 2. The table shows that the values of all square roots of AVE exceed the correlation with other constructs (elements in the rows and columns), which manifests the discriminant validity of this study.

Table 1: Outer model, Convergent Validity and Composite Reliability

Construct	Items	Loading	CR	AVE
TAL	My supervisor:			
	Make clear expectations.	0.803	0.940	0.799
	Will take action before problems become chronic.	0.847		
	Works out agreements with me.	0.775		
	Monitors my performance and keeps track of mistakes.	0.935		
Make clear expectations.	0.935			
TFL	My supervisor:			
	Instills pride in me.	0.788	0.935	0.673
	Spends time teaching and coaching.	0.842		
	Consider moral and ethical consequences.	0.841		
	Views me as having different needs, abilities and aspirations.	0.873		
	Encourages me to perform.	0.764		
	Increases my motivation.	0.837		
E. Emp.	Gets me to rethink never-questioned ideas.	0.704		
	Our university adopts decentralization in different organizational levels			
	The organizational levels in our university have the needed independence in taking operational decisions.	0.765	0.837	0.564
	Our university encourages employee to share their opinions and ideas	0.757		
	University management motivate employees to find an innovative method	0.739		
Our university adopts employee participation in taking decision process	0.749			
How successful the university in compared to the top 3 universities in:				
Res. Agility	Identifying students' needs.	0.893	0.942	0.765
	Tailoring services to customer need	0.908		
	Identifying students' groups not served by the university	0.906		
	Responding to student service requirement	0.779		
	Providing information to students	0.893		

Table 2: Discriminant Validity

Constructs	E. Emp.	Res. Agility	TAL	TFL
E. Emp.	0.751			
Res. Agility	0.114	0.875		
TAL	0.742	0.149	0.894	
TFL	0.667	0.194	0.684	0.820

As the measurements of validity and reliability of this study have been assured, the bootstrapping approach has proceeded to test the present study hypotheses. Path coefficients of the study hypotheses are clarified in Table 3. The first group of research hypotheses (H1-H2) hypothesized that transactional and transformational leadership styles are positively associated with customer responsiveness agility. The coefficient on the paths from transactional leadership style and transformational leadership style to customer responsiveness agility (H1, H2) were rejected as the p-value is greater than 0.01. in particular, (P = 0.386), (P = 0.208) respectively. This concludes that transactional and transformational leadership styles have no direct effect on customer responsiveness agility at Palestinian universities.

Table 3: Path Coefficient of the Research Hypotheses

Relationships	Std. Beta	Std. Error	P-value	Decision
TAL -> RA	0.063	0.218	0.386	Rejected
TFL -> RA	0.191	0.233	0.208	Rejected

Significant at P* <0.01

Similarly, bootstrapping was run to test the mediating role of employee empowerment between transactional and transformational leadership styles and customer responsiveness agility (H3a, H3b). The results are illustrated in Table 4 and Table 5.

Table 4: Mediating role of employee empowerment between transactional leadership styles and customer responsiveness agility

Relationships	Std. Beta	Std. Error	P-value	Decision
TAL à EE(Path a)	0.434	0.015	0.000	Accepted
EE à RA (Path b)	0.661	0.116	0.000	Accepted
TAL à RA (Path c`)	0.319	0.122	0.005	Accepted

Significant at P* <0.01

Based on the three conditions of mediating have been met. So, it can be concluded that employee empowerment mediates the relationship between transactional leadership and transformational leadership styles on one hand and customer responsiveness agility on the other hand at t value > 1.96 . Based on that, H3a and H3b have been accepted.

Table 5: Mediating role of extra-role performance between knowledge management and decision making agility.

Relationships	Std. Beta	Std. Error	P-value	Decision
<i>TFL à EE(Path a)</i>	0.423	0.016	0.000	Accepted
<i>EE à RA (Path b)</i>	0.450	0.074	0.000	Accepted
<i>TAL à RA (Path c')</i>	0.553	0.073	0.000	Accepted

Significant at $P^* < 0.01$

DISCUSSION AND CONCLUSION

The present paper sought to examine the effect of transactional and transformational leadership styles on customer responsiveness agility of Palestinian universities and then to explore the mediating role of employee empowerment between (transactional and transformational leadership styles) and customer responsiveness agility. The first hypothesis of the present study hypothesized a significant and positive relationship between transactional leadership style and customer responsiveness agility. However, the coefficient on this path was rejected at ($P = 0.386$). This concludes that there is no direct relationship between transactional leadership style and customer responsiveness agility. Furthermore, the second hypothesis of this study hypothesized a significant and positive relationship between transformational leadership style and customer responsiveness agility. The coefficient on this path was rejected at ($P = 0.208$). According to the results mentioned above, there is no direct relationship between transformational leadership style and customer responsiveness agility.

Furthermore, past research revealed that some studies tested the direct relationships between transactional leadership style and organizational agility (Akkaya & Tabak, 2020; de Oliveira et al., 2012), and found these relationships positive and significant. For instance, de Oliveira (2012) tested the effect of transactional leadership style on organizational agility in the Brazilian context and concluded a positive and meaningful relationship between these variables. Also, Akkaya and Tabak (2020) tested the impact of transactional leadership style on organizational agility in Turkey, and the result was positive. Similarly, transformational leadership style and organizational agility link was tested in prior research (Akkaya & Tabak, 2020; Khoshlahn & Ardabili, 2016), and concluded that transformational leadership style has an impact on organizational agility. Furthermore, several prior studies concluded that the relationship between leadership styles (including transactional and transformational leadership styles) and organizational agility is indirect and examined it through (Mediators).

Based on the above discussion, the present study sees its results as reasonable findings; to state the matter differently, customer responsiveness agility is conceptualized as the degree to which an organization is able to sense and respond to customer-based opportunities for innovation and competitive actions (Ravichandran, 2018). And leadership styles play a critical role in developing the responsive capabilities of employees and the level of service innovativeness. Leadership styles can play this role through its unique behavioral components, inspirational motivation, idealized influence, intellectual stimulation, and individualized consideration. So, the leader becomes a coach and mentor to the followers who will develop a set of skills and techniques that could help them in various ways, such as fulfilling the diversified customer's needs (Ihuoma et al., 2019). Determine whether employee empowerment plays a mediating role between (transactional and transformational leadership styles) and customer responsiveness agility in Palestinian universities, for that, hypothesis (3a) states that "employee empowerment mediates the relationship between transactional leadership style and customer responsiveness agility". Hypothesis (3b) states that "employee empowerment mediates the relationship between transformational leadership style and customer responsiveness agility", were examined using PLS-SEM path modeling analysis. The findings show that the relationship mediates employee empowerment between (transactional and transformational leadership styles) and customer responsiveness agility.

According to the findings of the present study, transactional and transformational leadership styles in Palestinian universities improve and generate customer responsiveness agility. However, no previous research examined the mediating role of employee empowerment between these two variables and customer responsiveness agility according to prior research, which represents the critical contribution of this study. Based on that, the top management of Palestinian universities must reinforce transactional and transformational leadership styles, as these variables are vital tools for developing customer responsiveness agility and overall performance.

RECOMMENDATIONS FOR FUTURE RESEARCHERS

According to the discussions and the results of this study, the organizational agility field could be enriched by the studies:

- Knowledge management, employee empowerment, and customer responsiveness agility; mediating role of employee performance.
- Does in-role performance mediate the relationship between firm strategy and customer responsiveness agility.

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