

DEDICATION

It is my genuine gratefulness and warmest regard that I

Dedicate this work to:

My beloved Mother and father

To my wife

To my brothers

To my sisters

To my son **Mohamed**

And to my friends

Your efforts always is in the mind

I dedicate My Humble Efforts

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LIST OF ABBREVIATIONS

Abbreviations	Full words
SO	Strategic orientation
OP	Operational performance
SI	Service innovation
TCs	Technological capabilities
GDP	Gross domestic product
SNA	System of national accounts
SEM	Structural equation model
EFA	Exploratory factor analysis
CFA	Confirmatory factor analysis
ML	Maximum likelihood
MSA	Measure of sample adequacy
KMO	Kaiser-Meyer-Olkin measure of sampling adequacy
MS	Market orientation
SEO	Service orientation
LO	Learning orientation
RI	Radical innovation
II	Incremental innovation
AMOA	Analysis of moments of structure
(<i>cmin</i>/df)	Chi-square/degree of freedom
IFI	Incremental fit index
CFI	Comparative fit index
GFI	Goodness of fit index
AGFI	Adjusted goodness of fit index
SRMR	Square root mean of residual
RMSEA	Root mean square error of approximation

CR	Composite reliability
AVE	Average variance extracted
GLM	General linear model

Abstract

Survival in today's dynamic environment requires organizations to have superior performance compared to competitors. In order to achieve this superior performance this study aimed to examine the effect of both strategic orientation and service innovation on operational performance, based on the resource-based view and dynamic capabilities theory of the firm, a model is developed to achieve the moderating effect of technological capabilities on the relationship between strategic orientation and service innovation and how service innovation mediate the relationship between strategic orientation and operational performance. The study employed the quantitative method via convenience sampling; the population was the 161 managers of the service firm in Khartoum state response rate with 97%. Data from the study were collected analyzed using descriptive statistics, person correlation and path analysis through using AMOS in structural equation modeling demonstrates some empirical supports to the model of this study. The results indicated that there is a positive relationship between some dimensions of strategic orientation (market and service) and operational performance; also the results predict that a positive relationship between components of strategic orientation (market and service and learning orientations) and service innovation. Furthermore, the results indicated that a partial mediate of two component of service innovation (incremental and radical) on the relationship between strategic orientation and operational performance, in addition to that the result showed that a fully moderate of technological capabilities on the relationship between strategic orientation and service innovation, based on study's results, the discussion of the findings, the theoretical and practical implications as well as the limitations and recommendations for future research in this study.

المستخلص

يتطلب البقاء في بيئة اليوم الديناميكية من المؤسسات أداءً متفوقاً مقارنة بالمنافسين. لذلك هدفت هذه الدراسة لمعرفة الأثر المباشر وغير المباشر للتوجه الاستراتيجي على الأداء التشغيلي، إستناداً على نظرية المنشأة القائمة على الموارد و نظرية القدرات الديناميكية للشركة، تم تطوير نموذج للتحقق من الدور المعدل للقدرات التكنولوجية في العلاقة بين التوجه الاستراتيجي و إبتكار الخدمة ، و بيان الدور الوسيط لإبتكار الخدمة بين التوجه الاستراتيجي و الأداء التشغيلي. حيث تم إستخدام المنهج الكمي و جمعت البيانات عن طريق الاستبانة من عينة غير إحصائية مناسبة لعدد 161 من الشركات الخدمية السودانية العاملة بولاية الخرطوم، حيث بلغت نسبة الإسترداد 97% . و لأغراض التحليل تم إستخدام التحليل العاملي الإستكشافي و التوكيدي ، الإعتيادية ، تحليل الإرتباط بجانب تحليل المسار و نمذجة المعادلة البنائية بإستخدام برنامج. و اشارت النتائج على أن هناك علاقة إيجابية بين بعض أبعاد التوجه الاستراتيجي (التوجه بالسوق، التوجه بالخدمة) و الأداء التشغيلي ، كما كشفت وجود علاقة إيجابية بين مكونات التوجه الاستراتيجي (التوجه بالسوق، التوجه بالخدمة و التوجه بالتعلم) و إبتكار الخدمة ، و لإبتكار الخدمة تأثير إيجابي على الأداء التشغيلي ، بينما أظهرت النتائج أن إبتكار الخدمة (الإبتكار التزايدي و الجذري) يتوسطان جزئياً العلاقة بين التوجه الاستراتيجي و الأداء التشغيلي ، بالإضافة على ذلك أشارت النتائج بأن القدرات التكنولوجية تعدل بالكامل العلاقة بين التوجه الاستراتيجي و إبتكار الخدمة. إستناداً على نتائج الدراسة تم تقديم مناقشة النتائج بالإضافة إلى التأثيرات النظرية و العملية و القصور في هذه الدراسة و توصيات ببحوث مستقبلية.