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The Impact Of Organizational Ambidexterity On Improving Financial Performance: An Exploratory Analytical Study Of The Managers' Perceptions In Some Iraq Private Banks

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Abstract

The study diagnosed the role of organizational ambidexterity with its main dimensions including (investing of optimal opportunities, and exploring of new opportunities) on improving financial performance according to financial performance measures, which included (return on assets, return on owners' equity). Nineveh Governorate banks were selected as a community for the study. The researcher recruited a sample of 91 managers in private banks in the Nineveh Governorate. They were randomly obtained to suit the directions of the study. The data were analyzed using (SPSS, V26). Findings indicated that there is a direct and significant effect of organizational ambidexterity on financial performance. Likely, findings showed that there is a direct and significant impact of the dimensions of organizational ambidexterity on financial performance.

Keywords: Financial Performance, Optimal Investment Opportunities, Organizational Ambidexterity.

Introduction

Many companies practice their activities in a highly changing and complex environment resulted from multiple factors, including the increased competition, the short life cycle of many goods and services, the great diversity of customers' needs and desires, and the tremendous development in information and communication technology. Therefore, companies should have all the abilities and requirements to adapt their performance to such unexpected environmental changes, and in order to survive and continue. The company should do everything in its power not only to strengthen its balance sheet, but also to make sure that it is aware of potential growth opportunities.

Companies always suffer from a constant struggle whether to move forward by innovating new strategies or to keep traditional strategies and methods. Therefore, the concept of organizational ambidexterity emerged in order to achieve a balance between these contradictions. Achieving success and long-term survival requires the company to be ingenious and able to explore new possibilities and exploit current capabilities. Reaching for ambidexterity is not an easy task because it includes achieving different goals such as innovation, effectiveness, exploration and exploitation.

Research problem

All companies in Iraq suffer from high competitiveness which hurdles achieving their goals.

It is an issue which demands such companies to strive to ameliorate their financial performance to deal with financial collapse and crises. Hence, the ability of the company to make use of the existed opportunities and exploring new ones in its quest to along with the changing that the company faces represents a challenge to adapt in deteriorating

environment. Hence, organizational ambidexterity represents an integrated approach that enables companies to face all environmental challenges, collapses, financial crises, and non-compliance with ethical and professional determinants.
The study problem was framed by the following question (What is the impact of organizational ambidexterity on improving financial performance?) and the following research questions emerged from it:

1. Do the respondents have a clear vision of the dimensions of organizational ambidexterity in the surveyed organizations?
2. Do the respondents have a clear vision of the dimensions of financial performance in the surveyed organizations?
3. Is there a significant correlation between the (independent dimension) organizational prowess and the (dependent dimension) financial performance?
4. Is there any direct significant impact of organizational ambidexterity on improving financial performance?
5. Is there any effect of the organizational ambidexterity dimensions on improving financial performance?

Research Objectives

This study seeks to achieve the following objectives:

A. Formulating a theoretical framework that includes concepts related to the main dimensions of the study, as well as framing the theoretical relationship between the dimensions of the study, expressing a new vision for the results of improving financial performance.
B. Developing an intellectual model that diagnoses the most important sub-variables in each of the main dimensions of the study,
C. based on previous research efforts, passing through its adoption for theoretical discussion, and reaching its analysis and study within the practical framework.
D. Measuring the level of availability of the dimensions of the organizational ambidexterity on the financial performance, and its sub-variables.
E. Measuring and analyzing the nature of the relationship and the influence of the dimensions and variables of the study for both organizational ambidexterity and financial performance, by testing the study's hypotheses according to the hypothetical scheme (Figure 1).

Research importance

1- Academic importance: The study discusses one of the modern topics in business administration represented in the dimensions of organizational prowess and financial performance. Perhaps addressing these concepts would open new horizons and encourage other researchers to study in details the other dimensions and factors that were not addressed in this study. Thus, achieving an accumulation of knowledge to enrich the Iraqi library.

2- Field importance: The importance of this study is clear achieved by directing the surveyed organizations (private banks) to adopt and apply these modern concepts. Such applications will enhance their performance and build awareness and interest for decision makers in corporate management towards adopting modern approaches and innovative techniques in managing companies through a sound understanding of the contents of these techniques, their philosophy and how to apply them.

Research hypotheses

In line with the objectives of the study and in order to test the relationships contained in its scheme, a set of main and sub hypotheses were adopted, as follows:

1- The organizational ambidexterity does not have direct significant effect on improving financial performance. Some sub-hypotheses are branched as follows:
   A – The relative importance of the organizational ambidexterity dimensions does not differ on improving the financial performance of the private bank.
2- The second main hypothesis: There is no significant effect of organizational ambidexterity dimensions on improving financial performance?

Literature Review

Organizational ambidexterity

Companies seek to achieve organizational ambidexterity by balancing between investing their activities and discovering new activities simultaneously. Companies also aim at obtaining new knowledge that enables them to achieve flexibility as well as exploit the existing knowledge within the company and thus achieve efficiency in its operations. At the same time, companies search for new opportunities and capabilities in addition to anticipating future events which enable them to keep pace with environmental changes.

Ambidexterity refers to a Latin word consisting of two syllables, the first is Ambos, meaning both, and Dexter, which means right (Schindler, 2015). Accordingly, the researchers seek to review a number of definitions that express the opinions of researchers who have devoted much of their attention to the subject of organizational ambidexterity.

Table 1. Definitions of the concept of organizational ambidexterity

	Researchers	Definition	Focus
	Bodwell (2011)	It is the ability of the company to simultaneously link between exploitation and exploration	Exploitation and exploration
	Taródy (2016)	The ability of the company to invest the available competencies and resources and to explore new competencies and resources, i.e. to find a state of balance between exploitation and exploration.	Balancing between exploitation and exploration
	Tradoy (2016)	It represents a model and a contemporary approach in the field of strategic management. It aimed at investing current opportunities and challenging the competitive threats facing the company.	Investing opportunities
	Liu et al. (2019)	The capability of the company to exploit mature technologies and markets that emphasize efficiency, control, and exploration of new technologies and markets.	Exploiting and exploring markets

The importance of organizational ambidexterity

Chandrasekaran (2009) explained that the importance of ambidexterity accounts for the ability to implement creativity and improve strategies. It requires the alignment of activities across multiple levels, including organizational culture and effective strategies with good leadership. Furthermore, Al-Atwi et al. (2019) found that learning ambidexterity has a positive impact on organizational flexibility. It is viewed as the ability of the company to avoid sudden and emergency events that may threaten its existence or recover from them. That is, ambidexterity is a driving factor for the firm survival and prosperity of companies.

Dimensions of organizational ambidexterity

Opinions differ in the number of dimensions of organizational ambidexterity, and this contradiction comes due to the sponsors' different philosophy and the goals that they seek to achieve beyond these dimensions. Some studies (e.g., Cao et al., 2009; Mohammed et al., 2014) have indicated there are two main dimensions of organizational ambidexterity.

A- Optimum investment opportunities

The essence of investment is to refine and expand capabilities and technology and achieve positive and predictable returns. The investment is associated with increasing productivity of working capital, improving and refining capabilities, standardization, and reducing costs for the company (Koza & Lewin, 1998). Focusing on investment may lead to enhanced the financial performance of the company in the short term. But it can lead to falling into the capacity trap because companies may not be able to respond adequately to environmental changes (Raisch & Birkinshaw 2008).

Optimal investment of opportunities refers to selection, production, efficiency and implementation. The operations and culture of opitmal investment are linked titely with the company. Hence, taking the advantage of opportunities represents the ability of the company to improve activities to create value in the short term. Becuase, the company aims to meet the needs of existing customers and expand leaders in knowledge and current skills. In addition to expanding the current existing distribution channels, products and services (Huang, 2010). Likely, Al-Janazra (2020) believed that companies can seize opportunities by adopting new ways of providing services and fortifying their competitive position by carrying out competitive actions to face the competing companies. Optimum investment opportunities, which have been boardy explained in management-oriented manner, refers to the increased innovations of existing products and processes (Blarr, 2012).

B- Explore new opportunities

Exploration refers to the activities of search, risk, contrast, expriment, manouvre, discovery, flexibility, and creativity. Therefore, the essence of exploration is experimentation with new alternatives (March, 1991). Exploration includes research, risk taking, invention, creativity, and building new capabilities. It also pertains entering new areas of work, risking and invention, building new capabilities, as well as entering new areas of work and strategies that try to find out new solutions to old problems (Flier et al., 2003).

Financial performance

The financial element is an essential factor for the success of any company. Likely, preserving money and making good use is a necessary and important requirement for the company to maintain its strength. The financial performance of companies contributes positively to providing useful and up-to-date information in the field of control, planning and appropriate decision-making.

The concept of financial performance

Financial performance is the level of business within a specific period of time. Financial performance is generally expressed in terms of profits and losses in the same period. It allows decision makers to objectively judge outcomes and strategies of business (Nayroukh, 2017). Khanfari and Bournissa (2019) defined financial performance as a measure of achieved or expected results in light of pre-set criteria to determine what can be measured. Furthermore, Hindi (2008) indicated that the financial performance is the degree of company dependence in financing its assets on fixed income sources whether it is stocks, bonds or loans. Financial performance not only affects the profits obtained by owners, but also it affects the degree of risk they are exposed to.

The importance of financial performance

The importance of financial performance, in particular, comes in the process of following up on companies' business, examining and monitoring their conditions, and evaluating their performance levels. It also refers to the effectiveness, and orienting the performance towards the right and desired direction viz-a-viz diagnosing obstacles, explaining their causes and finding appropriate solutions to them. Thus, Al-Khatib, (2010) believed that financial performance can achieve for investors the following objectives:

A- It facilitates for the investor to follow up and recognize the activity and nature of the company; it enables the investor to help in following up the financial and economic conditions surrounding the company and assessing the level of impact of financial performance tools, stock prices and dividends.

B- It assists the investor to take the right decision for the company's situation by carrying out the procedures of the analysis, comparison and interpretation of the data to take the appropriate decision for the company's situation.

Thus, the main theme of financial performance is to obtain information that is used for the purposes of appropriate analysis to make decisions and select the best stock from time to time and based on the financial performance indicators of companies.

Financial performance indicators

In this study, the researchers used the following profitability ratios to measure financial performance due to their appropriacy to the subject of the study:

a-Return on owners' equity

This ratio is considered a tool to measure the performance of companies. It represents the return that the management achieves from every dinar invested by ordinary shareholders (Matar, 2016). The profitability of the company is measured by revealing the amount of profit that the company generates from the shareholders' money that has been invested; it is measured according to Bjornsdottir (2010) as follows:

Return on Equity = Net Profit After Tax / Sum or Average Total Equity.

It is an integrated indicator to describe the interrelationship between return and risk. It is a model that enables the financial analyst to assess the source and size of the company's profits based on credit risk, liquidity risk, interest rate risk, operational risk, and capital risk (Bouzid, 2017).

b-Return on assets

Return on assets (ROA)is also called the revenue power; the revenue power is a better indicator than profits to identify the efficiency of the company. Moreover, profits are a number that does not represent the investments that have been achieved, while the revenue power exists in this relationship, which makes it easier to compare with the returns of other periods and other companies. Revenue power can be used by the management to identify the direction taken by the performance of its company (Nayroukh, 2017).

The revenue power is an indicator for judging the efficiency of the operational performance of the company. When calculating the revenue power, an issue should be taken into account is only the assets that actually participate in the normal operations of the company. In addition to the profit generated from operating these assets before taxes and other revenues and expenses and based on the net profit of operations (Abu Zuaiter, 2006).

Thus, it reflects the operating and investing activities of the company; but it does not reflect the financing activities in the company's profitability (Bidiaf, 2014). This ratio is considered a tool for measuring the performance of the companies and represents an indicator that expresses the extent of the company's management in the optimal use of its assets in order to generate profits (Gibson, 2008).

To sum up, the ratio of return on assets gives an idea on the effectiveness of the company in financing those invested funds. Likely, there is a general tendency among companies to increase their performance improvement, by achieving the largest possible return and the least number of risks. The higher the return, the higher the risks become due to the existence of a direct relationship between these two variables (Tommy & Masoud, 2021).

Methods

Research design

The researchers obtained exploratory analytical study analytical to collect the opinions of managers in private banks. Extensive interviews were used to crystalize and zero-down the research problem of this study.

Participants and settings

This study was conducted from May 2022 to July 2022. It has been scientifically identified with its objectives, importance and questions.

It basically dealt with the impact of organizational ambidexterity in financial performance on private banks in Nineveh Governorate / Iraq. This study assigned a sample of 91 managers (manager, directors of divisions and departments) of both sexes in private banks in Nineveh Governorate / Iraq.

The hypothetical study plan

The nature of the relationship between the dimensions of the study model is a sequential nature with a specific path in one direction. It means that the interaction process begins with the availability of organizational ambidexterity variables to reach the planned and desired results through improving financial performance.

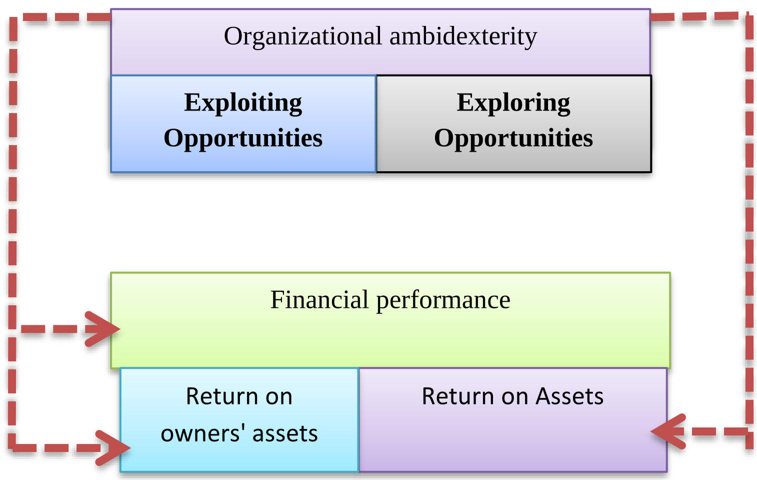

Figure 1. Hypothetical study plan

Data analysis

This section focuses on describing and diagnosing the study variables from the point of view of a sample of managers in some private banks in Nineveh Governorate/Iraq. In addition to studying the correlation and impact relationships and testing the statistical hypotheses between the variables under study. The number of distributed questionnaires was 91 copies, but the valid forms were (78). The results of the analysis are as shown in the following paragraphs:

Results

Describe and diagnose the study variables

Describing and diagnosing the dimensions of the organizational ambidexterity variable.

A- Optimum investment opportunities

Table 2. Participants' responses on the dimension of optimal investment opportunities

Variable	Variable code	Response scale										Mean score	Standard deviation	Variation coefficient	response rate %
		Strongly agree		Agree		Not certain		Disagree		Strongly disagree					
		F	%	F	%	F	%	F	%	F	%				
Optimum Investment opportunities	X11	53	67.95	23	29.49	0	0.00	2	2.56	0	0.00	4.63	0.63	13.54	92.56
	X12	33	42.31	40	51.28	4	5.13	1	1.28	0	0.00	4.35	0.64	14.75	86.92
	X13	32	41.03	25	32.05	19	24.36	2	2.56	0	0.00	4.12	0.87	21.08	82.31
	X14	47	60.26	27	34.62	4	5.13	0	0.00	0	0.00	4.55	0.60	13.08	91.03
	X15	43	55.13	22	28.21	12	15.38	0	0.00	1	1.28	4.36	0.84	19.20	87.18
Average			53.33		35.13		10.00		1.28		0.26	4.40	0.71	16.33	88.00
Total		88.46				10.00		1.54							

Table 2 indicates that the dimension of optimal investment of opportunities, which is represented by the sub-variables (X11-X15). The agreement rate of the participants amounted (89%), and this percentage reinforces the mean score value of (M=4.40) with a standard deviation of (Std=0.71). Table 2 also shows that the highest percentage of agreement for the sub-variables of the dimension of optimal investment of opportunities, which contributed to the achievement of the positivity of this dimension is represented by the variable (X11). It scored (97%). It states that (the bank's management is working to choose the best services that are suitable for customers' requirements in order to improve them continuously) and this reinforces the value of the mean score which is (M=4.63) with a standard deviation of (Std=0.63) and a response rate of (93%). On the other hand, the lowest agreement rate was for the sub-variables of the optimal investment dimension of opportunities for the variable (X13), which amounted (73%). with regard to (the bank's management is working to reduce the cost of current services) in terms of the value of the mean score and standard deviation (M=4.12, Std=0.87) respectively, with a response rate of (82%).

A - Explore new opportunities

Table 3. Participants' responses on the dimension of exploring new opportunities

Variable	Variable	Response scale										Mean score	Standard deviation	Variation coefficient	response rate %
		Strongly agree		Agree		Not certain		Disagree		Strongly disagree					
		F	%	F	%	F	%	F	%	F	%				
Discovering new opportunities	X21	42	53.85	33	42.31	1	1.28	2	2.56	0	0.00	4.47	0.77	17.14	89.49
	X22	33	42.31	39	50.00	4	5.13	1	1.28	1	1.28	4.31	0.74	17.27	86.15
	X23	15	19.23	35	44.87	23	29.49	5	6.41	0	0.00	3.77	0.84	22.19	75.38
	X24	21	26.92	43	55.13	12	15.38	2	2.56	0	0.00	4.06	0.73	17.88	81.28

	X25	30	38.46	41	52.56	6	7.69	1	1.28	0	0.00	4.28	0.66	15.47	85.64
Average			36.15		48.97		11.79		2.82		0.26	4.18	0.75	17.99	
Total		85.13				11.79		3.08							

Table 3 indicates that the dimension of exploring new opportunities which is represented by the sub-variables (X21-X25) received an agreement rate of (85%). This percentage reinforces the mean score value (M=4.18) with a standard deviation of (Std=0.75). Table 3 shows that the highest percentage of agreement for the sub-variables of the dimension of exploring new opportunities, which contributed to the positive achievement of this dimension, is represented by the variable (X21). It amounted (96%); it stated that (the bank's management focuses on searching for opportunities to provide new services) and this reinforces the value of the mean and standard deviations (M=4.47, Std=) respectively, and a response rate of (90%).

On the contrary, the least agreement rate was for the sub-variables of the dimension of exploring new opportunities for the variable (X23).

It amounted to (64%) and states that (the bank's management focuses on taking the risks of entering new markets). X23 sub-dimension rated mean value and standard deviations (M=3.77, Std=0.84) respectively with a response rate (75%).

It is clear from Table 4 that the mean values and the response ratio that the optimal investment dimension of opportunities comes first in terms of importance in relation to the dimensions of organizational ambidexterity, in terms of the mean value (M=4.41) and a response rate of (88.15%). On the contrary, the dimension of exploring new opportunities came in the second rank, in terms of the mean value which amounted (M=4.18) and a response rate of (83.59%).

Table 4. Participants' relative perceptions on the importance of organizational ambidexterity dimensions

Describing and diagnosing the dimensions of the financial performance variable

A - Return on assets

no	Dimensions	Mean score	Response rate
1	Optimum investment opportunity	**4.41**	**88.00**
2	Exploring new opportunities	**4.18**	**83.59**

Table 5. Participants' responses on the dimension of the return on assets

Variable	Variable code	Response scale										Mean score	Standard deviation	Variation coefficien	response rate %
		Strongly agree		Agree		Not certain		Disagree		Strongly disagree					
			%	F	%	F	%	F	%	F	%				
Return on	Y11	34	43.59	41	52.56	2	2.56	1	1.28	0	0.00	4.38	0.61	13.87	87.69
	Y12	25	32.05	39	50.00	13	16.67	1	1.28	0	0.00	4.13	0.73	17.62	82.56
	Y13	28	35.90	38	48.72	11	14.10	1	1.28	0	0.00	4.19	0.72	17.22	83.85
	Y14	18	23.08	43	55.13	15	19.23	2	2.56	0	0.00	3.99	0.73	18.30	79.74
	Y15	34	43.59	37	47.44	6	7.69	1	1.28	0	0.00	4.33	0.73	16.84	86.67
Average			35.64		50.77		12.05		1.54		0.00	4.21	0.70	16.77	84.10
Total		86.41				12.05		1.54							

Table 5 indicates that the dimension of return on assets which is represented by the sub-variables (Y11-Y15) received an agreement rate of (86%). This consolidates the mean score value (M=4.21) and a standard deviation (Std=0.70). Table 5 shows that the highest agreement percentage for the sub-variables of the return on assets dimension, which contributed to achieving the positivity of this dimension, is represented by the variable (Y11) scored (96%); it shows that (the bank's management relies on the return on assets indicator in comparing the financial performance of our bank with competing banks). This result enhances the value of the mean score of (M=4.38) with a standard deviation of (Std=0.61) and a response rate of (88%).

Nevertheless, the least agreement rated was assigned for the sub-variables of the dimension of return on assets for the variable (Y14). It amounted to (78%) to the variable (the bank's management relies on the return on assets indicator in measuring the degree of achieving investors' goals for maximizing their profits) in terms of the value of the mean and the standard deviation (M=3.99, Std=0.73), respectively; the response rate was (80%).

Table 6. Participants' responses on the dimension of for the return on owners' equity

Variable	**Variable code**	**Response scale**										**Mean score**	**Standard deviation**	**Variation coefficient**	**response rate %**
		Strongly agree		**Agree**		**Not certain**		**Disagree**		**Strongly disagree**					
		F	**%**	**F**	**%**	**F**	**%**	**F**	**%**	**F**	**%**				
Return on	Y21	21	26.92	40	51.28	16	20.51	1	1.28	0	0.00	4.04	0.73	18.04	80.77
	Y22	22	28.21	37	47.44	18	23.08	1	1.28	0	0.00	4.03	0.76	18.77	80.51
	Y23	19	24.36	43	55.13	16	20.51	0	0.00	0	0.00	4.04	0.67	16.67	80.77
	Y24	18	23.08	42	53.85	12	15.38	6	7.69	0	0.00	3.92	0.83	21.25	78.46
	Y25	15	19.23	41	52.56	16	20.51	6	7.69	0	0.00	3.83	0.83	21.61	76.67
Average			24.36		52.05		20.00		3.59		0.00	3.97	0.76	19.27	79.44
Total		76.41				20.00		3.59							

Table 6 indicates that the dimension of return on equity is represented by the sub-variables (Y21-Y25) received an agreement rate of (76%). This percentage reinforces the mean value (M=3.97) with a standard deviation of (Std=0.76). Likely, Table 6 shows that the highest agreement for the sub-variables of the return on equity dimension, which contributed to the positive achievement of this dimension, is represented by the variable (Y23); it amounted (80%) and states that (the bank's management relies on the return on equity indicator to help the financial analyst evaluate the bank's sources of profits). This high percentage enhances the mean value of (M=4.04), with a standard deviation of (Std=0.67), and a response rate of (81%).

On the contrary, the least agreement was assigned for the sub-variables of the dimension of return on equity for the variable (Y25). It amounted to (72%) for the variable (the bank's management relies on the return on assets indicator to help the financial analyst assess the risks of the bank's investments) in terms of the value of the mean and the deviation. It reached (M=3.83; Std=0.83), respectively, and the response rate was (77%).

It is clear from Table 7 that the mean score values and the response ratio that the dimension of return on assets scored the first rank in terms of importance for the financial performance variable. It scored mean value of (M=4.21) and with a response rate of (84.10%). The dimension of return on owners' assets comes in second in terms of importance. It received of the mean value (M=3.97), and with a response rate of (79.44%).

Table 7. Participants' relative perceptions on the importance of financial performance dimensions

	Dimensions	Mean scores	Response rate %
1.	Return on assets	4.21	84.10
2.	Return on owners' assets	3.97	79.44

Testing the hypotheses

A: Measuring the correlation between the studied variables

The Pearson Correlation coefficient is used to calculate the direction, strength and nature of the relationship between any two variables. The direction of the relationship was inferred in terms of being a relationship (direct or inverse) by indicating to the sign (±) value of the correlation coefficient. Furthermore, regarding to the strength of the relationship, it is inferred by the proximity of the value of the correlation coefficient from the value (1 ±). The closer of this value is to the correct one is an indication of the strong relationship between these two variables.

Finally, with regard to the nature of the relationship between any two variables, it is inferred by checking the probabilistic value (P-value) accompanying the value of the correlation coefficient. Studies indicate that if this value is less than (0.05), this is evidence of the significance of the relationship between the two variables. Table 7 shows the nature of the relationship between the three studied variables.

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Table 8. Person correlation coefficient between organizational ambidexterity and financial performance

		Financial performance
Organizational ambidexterity	**Pearson Correlation**	**.452****
	Sig. (2-tailed)	**.000**
	N	**78**

The results in Table 8 shows that there is a direct and significant correlation between the organizational ambidexterity and financial performance due to the value of the correlation coefficient, which appeared equal to (0.452); this value is significant based on the probability value (P-value), which appeared equal to (0.000).

b-Studying the impact

A- Analyzing the impact of organizational ambidexterity on financial performance

Table 9 shows the results of analyzing the impact of organizational ambidexterity on financial performance, as follows:

1. The result of the analysis of variance (ANOVA) indicates that the model of the effect of organizational ambidexterity in financial performance is significant in terms of the probability value (p-value.) which is (0.000).
2. There is a direct and significant effect of organizational ambidexterity on financial performance in terms of the value of the regression coefficient, whose value appeared equal to (0.433). This effect is significant in terms of the probability value (p-value.), which scored (0.000).

3- Based on the value of the coefficient of determination (R-Square), it was found that (21%) of the changes in financial performance are caused by organizational ambidexterity and that (79%) of the changes in financial performance are attributed to other random variables that the regression model did not assign.

Table 9. The impact of organizational ambidexterity on financial

Regression analysis						
Dependent variable/ financial performance						
Independent variable	Coefficients	Standard error	ANOVA	R-squared	(t_{Cal})	P-value
	B	S_e(B)	F_{Cal} (P-value)			
(Constant)	B_0= 2.233	0.422	19.561 (0.000)	0.21	5.296	0.000
Organizational ambidexterity	B_1= 0.433	0.098			4.423	0.000

The impact of organizational ambidexterity dimensions on financial performance

Table 10 shows the results of analyzing the impact of organizational ambidexterity dimensions on financial performance, as follows:

1. The result of the analysis of variance (ANOVA) indicates that the model of the effect of the dimensions of organizational ambidexterity in financial performance is

significant in terms of the probability value which is less than (0.05) (p-value=0.000). It means that there is at least a significant effect of one of the dimensions of organizational ambidexterity on financial performance.

2. There is a direct effect, but it is not significant for investing the optimal opportunities on financial performance. The value of the regression coefficient amounted (0.093). However, this effect is not significant in terms of the probability value which is greater from (0.05) (p-value=0.409).
3. There is a direct and significant effect of exploring new opportunities on financial performance. The value of the regression coefficient scored (0.337), and this effect is significant due to the probability value. It is less than (0.05), (p-value=0.003).
4. The result of the coefficient of determination (R-Square) indicates that (22%) of the changes in financial performance are caused by both the optimal investment of opportunities and the exploration of new opportunities, and that (78%) of the changes in financial performance are due to other random variables.
5. The results in Table 9 becomes clear to us that there is a discrepancy in the impact between the investing optimal opportunities and the exploration of new opportunities on their impact on financial performance.

Table 10. The impact of organizational ambidexterity dimensions on financial performance

Regression analysis						
Dependent variable/ financial performance						
Independent variable	Coefficients	Standard error	ANOVA	R-squared	(t_{Cal})	P-value
	B	S_e(B)	F_{Cal} (P-value)			
(Constant)	2.273	0.422	10.593 (0.000)	0.22	5.392	0.000
Investing optimum opportunity	0.093	0.112			0.830	0.409
Exploring new opportunities	0.337	0.110			3.057	0.003

Conclusions, recommendations and future studies

Conclusion

1. The private banks depend on exploring new opportunities as a working method by meeting the current and future needs of customers, in addition to making their services distinct through the optimal investment of opportunities available in new outlets that need distinguished services.
2. The results showed that there is a direct and significant correlation between the organizational ambidexterity and financial performance as the correlation coefficient value, which appeared equal to (0.452).
3. The analysis of variance (ANOVA) indicates that the model of the effect of organizational ambidexterity on financial performance is significant. The probabilistic value scored less than (0.05). (P. value = 0.000).
4. The study showed that the organizational ambidexterity has a direct and significant effect on financial performance. The regression coefficient, showed significant value, (R^2 =0.433); This effect is significant according to the probabilistic value rated less than 0.05 (P. value=0.000).
5. The results indicate that there is a direct effect, but it is not significant, for the optimal investment of opportunities on financial performance, in terms of the value of the

regression coefficient, which showed scored (0.093).

6. The results showed that discovering new opportunities has a direct and significant effect on financial performance; it was valued by the regression coefficient which scored (0.337).

Recommendations

1- The necessity of providing the appropriate atmosphere for creative workers, encouraging them and rewarding them, adopting new ideas and trying to implement them in a way that helps them to search for new opportunities.

2- Appropriate techniques and proposals must be applied to activate the organizational ambidexterity in the banks by paying attention to selecting and training employees, providing organizational structures, supportive leadership, and building a common culture and vision.

3- The necessity of improving the financial performance of Iraqi private banks by adapting effective use of multiple financial tools. Likely, it is necessity of benefiting from the banking services available in the Banking Law and supervising this by the Central Bank since its existence is based on gaining the confidence of customers. Banks represent a safe place to save and improve the economic reality of individuals and companies, as well as their role in mobilizing and investing capital.

4- More attention must be paid to conducting a balance process between the entrepreneurial orientation and the market orientation, as well as the orientation toward technology, so that it is not possible to separate and abandon one of them and accept the other.

Suggestions for future studies

We suggest some topics that are in the same context for future research, including:

1- The contribution of organizational ambidexterity to the development of human resource capabilities in the era of technological development.

2- Using the CAMELS model to achieve financial safety in private banks.

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