

# Determinants of sustainable competitive advantage from resource-based view: implications for hotel industry

Determinants  
of SCA from  
resource-based  
view

Md Sazzad Hossain

*Centre for Research and Innovation in Tourism,  
School of Hospitality, Tourism, and Events, Taylor's University,  
Subang Jaya, Malaysia*

Kashif Hussain

*Centre for Research and Innovation in Tourism,  
Faculty of Social Sciences and Leisure Management, Taylor's University,  
Subang Jaya, Malaysia, and*

Suresh Kannan and Sree Kala Kunju Raman Nair

*Centre for Research and Innovation in Tourism,  
School of Hospitality, Tourism, and Events, Taylor's University,  
Subang Jaya, Malaysia*

Received 25 August 2020  
Revised 19 October 2020  
12 December 2020  
Accepted 12 December 2020

## Abstract

**Purpose** – This study examines the relationship between absorptive capacity, team culture, competitive intelligence awareness and entrepreneurial behavior with strategic flexibility and sustainable competitive advantage and further investigates the moderating influence of innovativeness on the relationship between strategic flexibility and sustainable competitive advantage in the hotel industry.

**Design/methodology/approach** – The current study applied a quantitative research method to collect data from five-star and luxury hotel management staff in Malaysia, using questionnaire surveys. A total of 550 questionnaires were distributed, and the researcher received 457 valid questionnaires. The hypotheses were tested using the SEM (structural equation modeling) analytical technique.

**Findings** – The salient findings of this research are (1) absorptive capacity, team culture and competitive intelligence awareness have a significant impact on strategic flexibility and sustainable competitive advantage, (2) entrepreneurial behavior has an insignificant effect on strategic flexibility and sustainable competitive advantage, (3) strategic flexibility has a significant impact on sustainable competitive advantage, (4) innovativeness actively moderates on the relationship between strategic flexibility and sustainable competitive advantage.

**Research limitations/implications** – The study described here introduces a sustainable competitive advantage as a new and dynamic approach to explore how its outcomes or performance can be enhanced in the hotel industry. The outcomes of sustainable competitive advantage can help the long-term survival of hotels.

**Originality/value** – The present study suggests and explains the role of sustainable competitive advantage in the hotel industry and offers new insights into the competitive hotel industry's gaps and weaknesses.

**Keywords** Strategic flexibility, Innovativeness, Sustainable competitive advantage, Hotel industry

**Paper type** Research paper

## Introduction

The hotel business environment is categorized by increasing complexity, to create a sustainable competitive advantage (SCA) that lie in what it knows, not what it owns. Nowadays, hotel businesses within the competitive market are facing several challenges. Hence, why certain hotels succeed in a competitive environment while the rest fail? The answer might be simple and straightforward, but it is not easy. Hotel businesses need to know on how to build resilient strategies that can secure an SCA within their competitive market. According to [Kuncoro and](#)



---

Suriani (2018), SCA is based on resources and capabilities that are being valuable, rare, imperfectly imitable and not substitutable. Earlier, Barney *et al.* (2001) suggested that SCA as a powerful resource-based strategy for the competitive market. A hotel achieves SCA through rare and costly to imitate capabilities such as unique context or unique tools, close relations with vendors, customers and staff (Bhakar *et al.*, 2016), to help meet customer demands. The competitiveness strategy is also an integrated program that offers rivals a competitive advantage. In order to promote the quest for new combinations of resources, skills and processes, the Le Roy *et al.* (2018) identified SCA as providing access to scarce and additional resources. Innovative organizations embody the hotel's essential openness to break with existing processes (Dotzel and Shankar, 2019). This tendency is idea generation, experimentation and creativity so that new products/services and technologies are developed (Zhang *et al.*, 2020). Therefore, the current study examines SCA deeply and investigates the moderating influence of innovativeness for the hotel industry. In competitive markets and the advancement of technological innovativeness, we provide an essential empirical test that must be involved in management studies.

Furthermore, strategic flexibility has recently gained the interest of academics and professionals as an important method to tackling future uncertainty. It allows the best action to be taken within its available options and has been regarded as an adequate practical approach in managing future uncertainty (Bamel and Bamel, 2018). Although hoteliers are highly unstable, a flexible structure strategy must react rapidly to a change in its circumstances (Yang *et al.*, 2015). The current research highlights this delay in exercising flexibility that has not received considerable attention from decision-makers and researchers. The extent of flexibility can be measured in several different ways. For example, the overall cost to change an organization's capacity, the extent of possible choices available, and the state in which a flexible system is efficient are suggested measures of flexibility.

Moreover, teams within an organization are collecting individuals for specific purposes of the goals necessary to gain. Team culture represents the organizing and practicing lifestyle during the service and operation. It is very much needed for the hotel business to succeed in the future within a competitive market. It indicates the support and coordination among the activities during the operation and concern organizational success in a competitive environment. Recently, researchers and practitioners have been very interested in transitioning from individual to team-based work (Kozlowski and Bell, 2019). According to Ashauer and Macan (2013), it is vital to promote effectiveness and respond to technological achievements and sustainable development challenges. To achieve SCA for hotel operators, they must be willing to invest and act responsible and sustainable using the team as a resource (Lozano-Oyola *et al.*, 2012).

Additionally, competitive intelligence awareness (CIA) is a combination of economics, communications, military planning, computer science and strategic management disciplines (Bartes, 2015). It defines as a systematic, ethical effort to collect, target, synthesize competition and external environment to produce actionable insights for decision-makers (Muñoz-Cañavate and Alves-Albero, 2017). While the pace of rapid market growth is relatively new to handle, it is growing in complexity and value (Nenzhelele and Pellissier, 2014). It indicates the awareness of competitive uncertainty and predictive practice of the hotel business. Little studies have considered that the CIA in the strategic management area links a unique thought for the hotel industry competitiveness.

Additionally, entrepreneurial behavior is a preference for innovation and a change in the existing organization and the status quo. The assumption of entrepreneurial behavior guides scholars' work and focuses on the aspect of organization creation. First, the process of creating behavior in the progression of the business is an individual or organizational-level phenomenon. It is an essential element of the organization's formation. Without the individuals' creation and activities, environmental, economic, social and political are not created by the organizational context (Monge and Poole, 2008). Second, it indicates

the individual's engagement in entrepreneurial activities that occur in a period. It also recognizes the activity that requires a set of actions or series of actions. Third, the principal element of entrepreneurial behavior in an organization from the responsibility to protect from uncertainty. Less attention created in the past studies from the behavioral perspective (i.e. creative activities, responsible approach). Furthermore, despite the considerable growth of absorptive capacity, specific critical gaps remain and most studies did not consider new external knowledge (Liu *et al.*, 2013). It is fundamentally used in management research to absorb external knowledge with the view to implement in the internal process of learning. It refers to new external knowledge that explains assimilation, acquisition, transformation and application.

Therefore, this paper's aim is twofold, a theoretical point of view, the study identified the influencing factors of SCA and assessed the mediation role of strategic flexibility. This focuses on the critical factors influencing rivals to collaborate as well as on their relative strength. This research focuses more explicitly on SCA with various strategic conducts within the hotel industry. Additionally, the hotel industry appears to be characterized by competitive dynamics. For this reason, this study conducted an empirical analysis in the five-star and luxury hotels to analyze strategic behaviors on intrinsic aspects of competition. Besides, the problems identified based on the industry-specific, whether the hotel sector required the SCA program in the current competitive market. We considered few case studies of international chain hotels that required SCA implementation (i.e. Shangri-La recently explains the highly competitive evolving market; numerous hoteliers are still facing several challenges related to SCA). Both theoretical and empirical perspectives help policymakers better understand and manage hotels operating in a resources-based competitive environment. Finally, little attention has been drawn in the past studies about SCA based on resources and capabilities with the influencing factors of strategic flexibility that attempt to link a new relationship among variables. Therefore, the current study efforts to analyze this question, to what extent influencing factors of strategic flexibility enhances SCA? The underlying belief in this issue is that every business today has untapped skills and capital, represent a vast potential for gaining SCA.

### SCA in the hotel industry

In a competitive market, hotel businesses are looking for new ways of achieving competitive advantages. The idea of competition to be resisted when it comes to organizations' sources of profits has historically been discussed by most approaches in strategic management (Arbelo *et al.*, 2020). SCA is the framework that makes full use of the existing business opportunities for organizations capital while exploiting other resources to guarantee the sustainability and replicability of its competitive position for the future (Zawawi and Abd Wahab, 2019). Specific approaches such as creativity, process improvement, superior quality, lower cost, or better value are often implemented with SCA performance in the firm. Early, Barney (1991) believes that substantial resources are a source of SCA and suggests that any organization that wants to acquire SCA has acquired them.

The way of achieving and sustaining their competitive advantages is one of the main issues in the hotel sector (Singjai *et al.*, 2018). In order to achieve SCA in hotels, it is necessary to understand the services behavior and the characteristics of the hotel. This study elaborates on a model that explains how SCA can be obtained from a service management perspective in hotels drawing on its literature. One of the most critical sectors for checking the hotels that have already been found for several reasons is the hospitality sector. The first is that, although hotels are not direct competitors, increased complementarity between programs and the frequent need for special interests to collaborate. Second, the analysis is much more challenging in several hotels than the typical strategic network plans in which a focal firm

---

exists in most cases. In order to ensure a quality offer that could compete effectively at the international level, the global hospitality paradigm also demands greater cooperation and collaboration, both local and regional (Chim-Miki and Batista-Canino, 2017). To analyze this, the study focused on five-star and luxury hotels in Malaysia. This country is one of the most attractive destinations in Southern Asia. This study includes the most popular tourist regions, namely Kuala Lumpur, Penang and Malacca. The main attraction to tourists for these places is cultural resources and diversity, natural beauty and landscape, food and gastronomy and more critical is five-star and luxury hotels.

---

### **Underpinned theory: recourse-based view**

The present study followed resource-based view (RBV) as a supporting theory of the proposed model. In strategic management research, RBV has emerged as a popular theory of organizational competitive advantage. In the beginning, Wernerfelt (1984) investigated how the resource was possessed, deployed and used by the organization. This theory was later cited by Porter and Millar (1985), who reviewed the organization as a bundle of assets or resources tied semi-permanently in a firm.

RBV has become a popular theory for competitive advantages in strategic management research (Furrer *et al.*, 2008). The firm as a collective of assets or resources semi-permanently bound up in the hotel industry, then quote this theory. During the interim, Bromiley and Rau (2016) developed core competencies based on the essential category of an organization's capital and capacity. Lin and Wu (2014) also argued that the organization's finances are the primary source of competitive sustainability. The resource-based vision principle is a strategic element with the use of assets and expertise to be an advantage for competition.

This view also synchronized well with core competencies, strategic asset, distinctive competencies, which provides a potential sustained competitive advantage edge of an organization (La Rocca *et al.*, 2018). The earlier statement's strategic asset describes the set of competitive advantages that are challenging for the competitors to trade and imitate, are scarce, appropriable and specialized resources and capability that bestow the hotel's SCA. This established theory has aided to reinforce the relationships of the research framework and constructs in establishing theoretical support.

### **Literature review and hypotheses development**

#### *Absorptive capacity*

The absorptive capacity is characterized as identifying the importance of new outside information by an organization (Rafique *et al.*, 2018). The wide ranges of skills required to deal with the tacit component of transferred knowledge and the need to modify these imports. It is, therefore, including the acquisition and assimilation aspects of information on the organization's strategic flexibility. Apriliyanti and Alon (2017) suggested that these two components play complementary roles separately. It is esteemed that without acquiring it, an organization can not apply external knowledge. In the previous literature, few studies of future absorption and strategic flexibility examined to the full understanding of the researcher (Lin *et al.*, 2020). It examines the connection between improved flexibility and an aggressive marketing strategy and how knowledge absorption reflects this relationship.

The external expertise to be used in the hotel's internal strategic phase, which provides an overall competitive advantage (Liao *et al.*, 2017). The relationship between absorption capacity and the competitive advantage was seen by Chaudhary and Batra (2018). The term of the RBV can be called strategic flexibility by gaining and using outside know-how to gain a continuing competitive advantage. A substantial contribution of this research is the mediation role of strategic flexibility between absorptive capacity and SCA. A recent study Kale *et al.* (2019) has

postulated the impact of absorptive capacity in the hotel sector in identifying performance. They investigated the necessity of acquiring and managing knowledge that has been emphasized to increase the firm's overall performance and create SCA. From the above arguments, the above arguments formulated the hypotheses as follows:

*H1a.* Absorptive capacity has a positive effect on strategic flexibility.

*H1b.* Absorptive capacity has a positive effect on SCA through strategic flexibility.

### *Team culture*

The emerging team culture or team engagement offers a shared, group-specific sense of identity. The existing characteristics or new patterns of team interactions can lead to an influential hotel team culture as it provides self-assessment and interaction (Jamshed and Majeed, 2019). One or more individuals to perform resulting indiscernible and potentially measurable groups products and operate within the organizational context. Simply team is the collection of individuals for a specific purpose and help to make the long-run organizational decision (Lehmann-Willenbrock, 2017). The study by Ahmed (2017) has assumed that a small number of members with complementary skills and committed to a set of performance goals with strategic flexibility. The group has reached a new plateau of productivity, which enhances the organizational strategic flexibility by following their intrinsic works.

Besides, team culture is mutual communication in inter-organizational procedures by sharing tasks and knowledge. According to Luvison and Marks (2013), it involves sharing responsibilities or mutual mental understanding among team members. It has two principal components, such as a standard/consistent model of the situation among the team members and the mutual mental model of the inside/outside team members functions (Butchibabu et al., 2016). Though, team culture also enhances SCA through strategic flexibility. The team-oriented organization, employees, together amplify knowledge, skills and abilities and increased productivity of the hotel (Delmas and Pekovic, 2018). It is noted that the SCA of a hotel is not an individual task to achieve, but the group or team can predict it by their flexible strategies. Recently, Han et al. (2016) have revealed that how workplace fun promotes team performance in the hotel business. Little is known about the relationship mechanism in direct and indirect that attempts to address a new link in the past literature.

*H2a.* Team culture has a positive impact on strategic flexibility.

*H2b.* Team culture has a positive impact on SCA through strategic flexibility.

### *Competitive intelligence awareness*

According to Guarda et al. (2012), the competitive advantage can be understood to look for unique opportunities to improve the market role of the firm. As such, both public and private entities develop their creative information systems to train and plan management for improvements to the hotel's external environment (Shujahat et al., 2017). In the field of strategic management, competitive intelligence plays a significant role in organizational knowledge and practical experience (Placer-Maruri et al., 2016). Seyyed-Amiri et al. (2017) pointed out that adequate information should be provided to organizations in order to use competitive intelligence optimally. Nzewi et al. (2016) has considered data, information and knowledge gathering are an on-going process of engaging to facilitate the decision process to improve the competitiveness of an organization. Thus, the CIA of the organization following competitive criteria can enhance strategic flexibility over the using strategies. The CIA also effects SCA through strategic flexibility. The mediating role of strategic flexibility denotes the playing intensity or awareness in following flexible strategies to gain SCA. According to Tuan (2016), it explained ambidexterity and agility in the service industry. It also investigated to predict

---

competitive advantage in an intense effect with the business for sales-people. When the CIA is high, then the strategic flexibility strongly effects on SCA, if low or then it becomes weak in the effect. In a recent study, [Köseoglu et al. \(2016\)](#) examined the competitive and competitor intelligence practice in the hotel industry.

*H3a.* CIA has a positive impact on strategic flexibility.

*H3b.* CIA has a positive impact on SCA through strategic flexibility.

---

#### *Entrepreneurial behavior*

Many service organizations have shifted their focus to firm-level behavior to explore business performance. Firm-level behavior provides a clearer insight into the entrepreneurial process. Thus, entrepreneurial behavior refers to the strategy-making process that provides an organization based on actions and involves the outcome of management-related preference, behavior as expressed by firm-level managers or top-level employees ([Wales et al., 2020](#)). Several studies assumed that entrepreneurial behavior is a higher level of entrepreneurial behavior as various dimensions as innovation, proactiveness and risk-taking ([Afsar et al., 2017](#); [Audretsch and Link, 2019](#)). In line with innovation as it considered as an establishment's willingness to create ideas and view concepts in process, and strategic flexibility enhancement.

The proposed relationships indicate the researcher and practitioners emphasize on this topic to increase the hotel performance. Employee entrepreneurial behavior denotes the creative ideas of the employee in a critical situation ([Gruber and MacMillan, 2017](#)). Also, its effect on SCA through strategic flexibility. The mediating role of strategic flexibility, which acts as an essential role in making it flexible for making a perfect decision based on the situation ([Brozovic, 2018](#)). In the literature, there is a limited number of studies examining the mediating role of strategic flexibility. It signifies that the individual level of entrepreneurial behavior can enhance the decision to use it in perfect scope. Therefore, an establishment with higher strategic flexibility tends to create a new opportunity to conduct its SCA. [Hernández-Perlines \(2016\)](#) has investigated the entrepreneurial orientation to determine the hotel performance.

*H4a.* Entrepreneurial behavior has a positive effect on strategic flexibility.

*H4b.* Entrepreneurial behavior has a positive effect on SCA through strategic flexibility.

#### *Innovativeness*

In recent years, increasing competition and changing technology, people desire to follow innovation, invention, creativity and new ideas. Several studies investigated the significance of innovativeness for surviving firm's life of doing the operation ([Hollebeek and Rather, 2019](#); [Chen, 2019](#)). Innovativeness can be defined as 'the extent to which an individual adopts innovation relatively earlier than others, where "relevantly earlier" means the real, not perceived, time of adoption. It gives the way of attaining a competitive advantage by extending and enhancing overall performance, retaining existing ones, reinforcing ties with the distribution networking by earning profit with the technical workplace ([Hyytinen et al., 2015](#)). Also, an organization has been emphasized in studies where the complementary effect of the market on product/service innovativeness is considered (e.g. [Rodriguez and Wiengarten, 2017](#)). For example, [Chen et al. \(2017\)](#) indicated strategic flexibility interacts with the market and SCA to raise innovation levels in an organization, resulting in market-driving behavior. According to [Hossain et al. \(2019\)](#), the service operation and technological innovativeness are organized by the changing organizational environment. The past studies support work, with innovativeness acting as positive moderators ([Brockman et al., 2012](#)). The importance of innovativeness in service firms is becoming recognized. Indeed, hotels structurally better equipped for high innovativeness due to decreased departmentalization and less advanced control ([de Carvalho et al., 2020](#)).

---

H5. Innovativeness moderates between strategic flexibility and SCA.

Determinants  
of SCA from  
resource-based  
view

---

### *Strategic flexibility and SCA*

Several strategic flexibility studies have been carried out on findings of the organizational change introduced, such as the transformation from sector to market (Harrigan, 2017). The nature and adaptability of hotel resources and the allocation of management attention are a vital factor for flexibility based on RBV (Coleman *et al.*, 2013). Even though some studies depend on slack resource steps, management attention to leveraging these fungible assets is not considered. Some acts allow hotels to manage the new competitive environment. These actions contribute directly to achieving strategic flexibility and SCA. It calls for flexibility and the ability to balance the organization's stable and dynamic states. In the context of product innovation and process improvement, strategic flexibility is examined, but empirical research is less important in the context of hotels seeking flexibility to explore new SCA opportunities. This literature review has revealed a lack of studies dealing with the relation between strategic flexibility and SCA. In recent Majid *et al.* (2019) have postulated strategic flexibility in defining strategic performance in the hospitality industry. Very limited studies have been investigated in this relationship consideration. This literature attempt to address a unique impact on the relationship between strategic flexibility and SCA.

H6. Strategic flexibility has a positive effect on SCA.

## **The research framework**

### *Measurements*

In this study design, the data were obtained and quantified by a quantitative design following the deductive approach (Kumar *et al.*, 2018). Data, opinions, motivations and attitudes of the respondents provide an efficient survey design that measures the overall perceptions of hotel employees. The survey was distributed into 45 five-star and luxury hotels in Malaysia. Absorptive capacity was assessed using five items developed by Camisón-Zornoza *et al.* (2009). The items were indicated as knowledge-based competition, information assimilation and transformation capacity, information application and exploitation capacity, scientific and technological information, and external sources of information. Team culture was assessed using five items developed by Hu *et al.* (2009). The items were indicated as *sharing knowledge and information interactive manner, coordinate, excellent spirit, contributes equally to the hotel creativity*. CIA was assessed using five items developed by Pellissier and Nenzhelele (2013). The items were indicated as *aware, practices, appointed staff for information collection, dignified competitive intelligence role*. Entrepreneurial behavior was assessed using three items developed by Liu (2013). The items were indicated as *strengths and tactics of the competitors, react quickly to threatening competitive action*. Strategic flexibility was assessed using three items developed by Zhou and Wu (2010). The items were indicated as *strategy based on customer's product and service preference, strategies used in their uncertain or risky time based on change and technology, detects new business threats and opportunities*. Innovativeness was assessed using two items developed by Zhou and Wu (2010). The items were indicated as *new service/product and service competitors of the market were new*. SCA was assessed using four items developed by Hu *et al.* (2009). The items were indicated as *offers relatively low pricing as rivals, provides the consumer with high product/service and the customer appetite for new features is smaller than the typical business time to launch*. The reflective measurement of the constructs within the survey instrument were adapted from previous studies following seven-point Likert scale.

### *Data collection*

The study followed the survey method to address the research objectives that offered advantages to collect much data. We then carried out a pilot test to verify that the questionnaire

adapted and verify the accuracy. For the pilot study or pre-test, the constructs' reliability and validity have checked and surveyed 50 respondents to analyze. The pilot study was checked whether the factors are manipulated correctly or not. We refined the questions to get to the final questionnaire after the pilot test (Su *et al.*, 2018). Then the following area of research with the target population and the sample size was determined. The "rule of thumb" for calculating the sample size is given by Tan *et al.* (2018) because the specimen size is reported to have been higher than 30 and smaller than 500 for most studies. Nonetheless, some researchers propose a data range of 10 times as much as the number of measurements item (i.e. this study all variables items 27) reported by Hair *et al.* (2010). The survey was given to the hotel management staff, such as CEOs, Managers and Supervisors. A total of 457 questionnaires were received and found to be useful from a total of 550 surveys distributed earlier. In this study, CFA (Confirmatory Factor Analysis) and SEM (Structural Equation Modelling) were analyzed by the following statistical method (AMOS.24). For the bootstrapping procedures, we used 5,000 resample to assess the model's mediation effect.

#### *Respondent's profile*

Description statistics show that the staff, 57.5% of them men and 42.5% of the women have responded. The age range was 22.7% of workers below the age of (20–27), while the age group was 39.6% (36–60) and the age group was 37.6% (28–35). The degree of personnel education reported that 33.9% of diploma holders were 16.6% of graduate and 29.8% for credential holders and just 1.5% for postgraduate students. For the divisions of hotels, 26.3% came from front office, 33% came from food and beverage, 14.9% from housekeeping and 4.4% from HRM. Data from staffs have also been gathered, as replied to GM by 2.7%, 57.9% and supervisors by 39.4%. Finally, work has found that 6-9-year-olds are 29.8% over 15 years old, 09% (see Table 1).

## **Results and interpretations**

### *Measurement model*

This study carried out the normality test by integrating distances *Mahalanobis D2* with skewness and kurtosis. However, for the individual variable, the absolute value of skewness falls within the range  $-1$  or  $1$  and Kurtosis  $3$ . Therefore, the pattern is reasonably suitable, and the dataset is normally distributed. This study follows Eichhorn (2014) common methods variance procedures to mitigate possible bias by following procedural remedies of questionnaire design between all constructs. This study has removed all psychological separation (question headings) from the questionnaire. The reflective measurement model evaluation shows that the Alpha ( $\alpha$ ) Cronbach criteria were applied to test build reliability. The evaluation shows CR (0.7) and AVE (0.5), and this analysis obtained all values. Table 2 displays ( $\alpha$ ) values above the proposed 0.7 for each building, suggesting an acceptable degree of reliability (Rasoolimanesh *et al.*, 2019). The average extracted variance value (AVE) is (0.5) and all constructs are confirmed with acceptable values (See Table 2). The validity assessment indicates that the discriminant validity was assessed through a Fornell-Larcker criterion to differentiate the constructs (Henseler *et al.*, 2015). Following this, discriminant validity was examined (Voorhees *et al.*, 2016), the square root of the AVE of each construct should be higher than the correlation with all other constructs (see Table 3).

### *Structural model*

The structural model is present within the corresponding spectrum of a broad chi-square ( $X^2 = 701.367$ ,  $df = 473$ ,  $p < 0.000$ ) and ( $X^2/df = 1.549$ ) (see Figure 1). Further fitness

Demographic constructs	Measurement items	Frequency	Percentage (%)	Determinants of SCA from resource-based view
Gender	Male	263	57.5	
	Female	194	42.5	
Ages	(20–27)	104	22.8	
	(28–35)	172	37.6	
	(36–60)	181	39.6	
Education	Secondary/SPM	83	18.2	
	Certificate	136	29.8	
	Diploma	155	33.9	
	Undergraduate	76	16.6	
	Postgraduate	7	1.5	
Hotel departments	Front office	120	26.3	
	Food and beverage	151	33.0	
	Housekeeping	95	20.8	
	Sales and marketing	68	14.9	
	HRM	20	4.4	
	Others	3	0.7	
Job position	General manager	12	2.7	
	Departmental manager	265	57.9	
	Supervisor	180	39.4	
Working years in the hotel	Under 3 years	54	11.8	
	3–6 years	123	26.9	
	6–9 years	136	29.8	
	9–12 years	126	27.6	
	12–15 years	14	3.1	
	Above 15 years	4	0.9	

**Table 1.**  
Demographic profile of  
the respondents

measures, such as CFI (0.947), IFI (0.946), GFI (0.934) and RMSEA (0.044), also shown the acceptable (Hair *et al.*, 2010). Table 4 highlights the results of the hypothesized relationship between constructs, and Figure 2 reflects the total impact of the exogenous variable on endogenous variables, direct effects and indirect effects. Among the total five direct hypotheses, four are statistically supported, and one is not supported (see Table 4). The influencing factors of strategic flexibility indicates three hypotheses significantly (H1a, H2a and H3a) with ( $\beta = 0.261, t = 2.147, p < 0.05$ ), ( $\beta = 0.214, t = 2.106, p < 0.05$ ) and ( $\beta = 0.113, t = 1.195, p < 0.05$ ). Besides, entrepreneurial behavior has a negative and insignificant effect on strategic flexibility (H4a) with ( $\beta = -0.072, t = -0.938, p > 0.01$ ). Also, the strategic flexibility significantly impacts SCA (H5) with ( $\beta = 0.271, t = 3.246, p < 0.01$ ).

Influencing factors on strategic flexibility explain 22% of the variance and strategic flexibility explains 19% of the variance in SCA, and the  $R^2$  results are acceptable (Cohen, 1988). To assess the mediations, the path coefficients approach was applied to test the significance of indirect effects (H1b), (H2b), and (H3b). The findings indicate that indirect effects on H1b, H2b and H3b have also been relevant ( $\beta = 0.070, p < 0.05$ ), ( $\beta = 0.069, p < 0.05$ ) and ( $\beta = 0.089, p < 0.05$ ), where the confidence interval (bias-corrected) does not straddle zero between: [LL = 0.007, UL = 0.114], [LL = -0.278, UL = 0.059] and [LL = 0.007, UL = 0.114] and identified the significant mediations. The findings also have shown below (Table 4) that entrepreneurial behavior insignificantly effects SCA through strategic flexibility with ( $\beta = -0.008, p > 0.05$ ). A test finding from H6 also verified the moderating position of innovativeness as regards the relationship between strategic stability and SCA. There is a substantial interaction expression (strategic stability x innovation) ( $\beta = -0.126, p < 0.001$ ). Figure 3 also mentioned this impact when innovativeness was high relative to low slopes. The findings revealed that the links from strategic flexibility ( $\beta = 0.234, t = 8.576$ ), innovativeness ( $\beta = 0.313, t = 5.497$ ) to SCA was significant H6. This study tests the moderating of

Constructs	Items	Loadings	Cronbach's alpha ( $\alpha$ )	Composite reliability (CR)	Average variance extracted (AVE)
Absorptive capacity	AC1	0.66	0.815	0.831	0.581
	AC2	0.72			
	AC3	0.67			
	AC4	0.86			
	AC5	0.60			
Team culture	TC1	0.75	0.894	0.890	0.633
	TC2	0.76			
	TC3	0.81			
	TC4	0.88			
	TC5	0.77			
Competitive intelligence awareness	CIA1	0.79	0.869	0.870	0.573
	CIA2	0.72			
	CIA3	0.74			
	CIA4	0.79			
	CIA5	0.75			
Entrepreneurial behavior	EB1	0.64	0.786	0.702	0.500
	EB2	0.82			
	EB3	0.77			
Strategic flexibility	SF1	0.73	0.806	0.806	0.581
	SF2	0.77			
	SF3	0.79			
Innovativeness	IN1	0.78	0.798	0.799	0.665
	IN2	0.85			
Sustainable competitive advantage	SCA1	0.77	0.844	0.917	0.734
	SCA2	0.67			
	SCA3	0.89			
	SCA4	0.90			

**Table 2.** Confirmatory factor assessments and loadings

**Note(s):** Goodness-of-Fit Indices:  $\chi^2/DF = 1.549$ ,  $p$ -value = < 0.05, NFI = 0.857, IFI = 0.948, GFI = 0.873, CFI = 0.947, RMSEA = 0.044

Constructs	MSV	MaxR(H)	1	2	3	4	5	6	7
Strategic flexibility	0.118	0.806	<i>0.762</i>						
Innovativeness	0.025	0.799	0.153	<i>0.815</i>					
Entrepreneurial behavior	0.059	0.819	-0.078	0.157	<i>0.758</i>				
Absorptive capacity	0.057	0.859	-0.232	0.011	-0.200	<i>0.707</i>			
CIA	0.064	0.872	-0.010	0.085	0.135	-0.014	<i>0.757</i>		
Team culture	0.116	0.903	0.341	0.016	0.143	0.171	0.253	<i>0.795</i>	
SCA	0.118	0.926	0.343	0.079	-0.036	-0.238	0.060	0.201	<i>0.858</i>

**Table 3.** Maximum shared variance and maximum reliability and constructs correlation

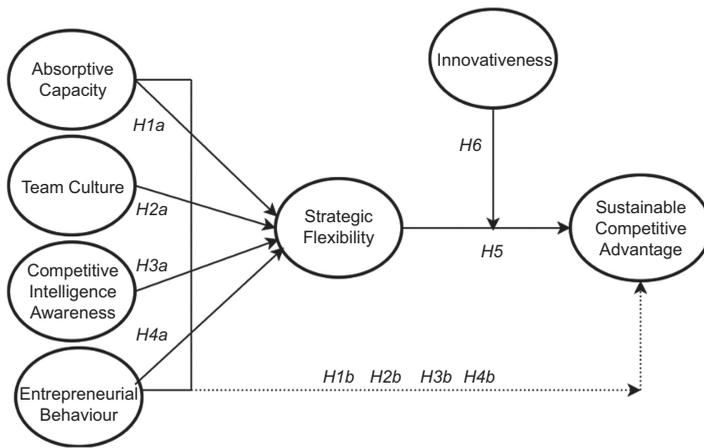
**Note(s):** Diagonals represent the square root of the average variance extracted while the other entries represent the correlations

innovativeness between strategic flexibility and SCA's relationship to the mechanism behind this relationship.

**Discussion and conclusion**

The SCA investigation creates an organization foundation for advancing knowledge and facilitating theory development and uncover areas where research is needed (de Paiva Costa

## Determinants of SCA from resource-based view



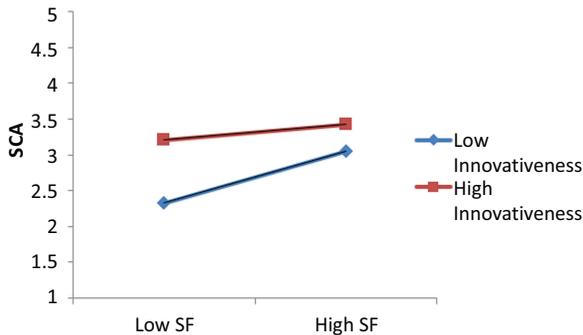
**Figure 1.**  
The research framework

Direct effects								
Hypothesis	DV		IV	$\beta$	S.E	C.R	<i>p</i> -value	Decision
H1a	SF	←	AC	0.261	0.122	2.147	0.001	Yes
H2a	SF	←	TC	0.241	0.077	2.106	0.007	Yes
H3a	SF	←	CIA	0.113	0.067	1.195	0.007	Yes
H4a	SF	←	EB	-0.072	0.077	-0.938	0.298	No
H5	SCA	←	SF	0.271	0.084	3.246	0.001	Yes

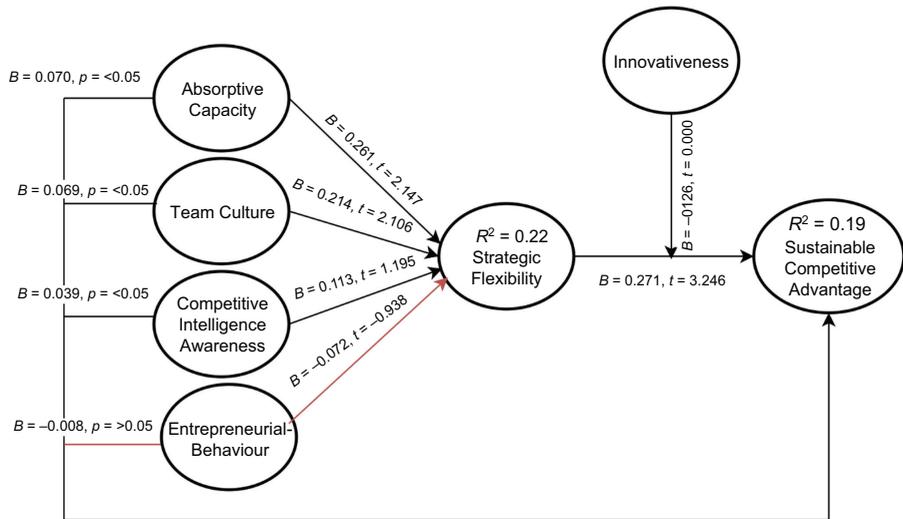
  

Indirect effects						
Hypothesis	Relationship	$\beta$	<i>p</i> -value	95% confidence interval	Decision	
H1b	AC → SF → SCA	0.070	0.001	(-0.181) - (-0.015)	Yes	
H2b	TC → SF → SCA	0.069	0.009	(-0.153) - (-0.017)	Yes	
H3b	CIA → SF → SCA	0.039	0.012	(-0.014) - (0.108)	Yes	
H4b	EB → SF → SCA	0.008	0.440	(-0.094) - (0.018)	No	

**Table 4.**  
Structural path analysis results



**Figure 2.**  
The moderating impact of innovativeness



**Figure 3.**  
Structural model  
assessment results

and Pereira, 2019). Valuable and uncommon authoritative resources can be wellsprings of SCA, and underlying assets being defectively imitable (Anning-Dorson and Nyamekye, 2020). This present study has shown that all the hypotheses are supported and significant based on the coefficient ( $\beta$ ),  $t$ -value and  $p$ -value.

The above findings have revealed that absorptive capacity significantly impacts strategic flexibility and explains knowledge acquisition and assimilation. At the same time, knowledge acquisition and assimilation are the essential skill-based resources in the organization. These two kinds of knowledge also indicate that new external knowledge is required to be absorbed in the hotel (Jansen *et al.*, 2005). Besides, Javalgi *et al.* (2005) have incorporated the mediating role of strategic flexibility between service design and market performance. External knowledge is essential for overall hotel development; in this sense, hotels apply their knowledge to predict SCA by using strategic decisions. It can be expected that knowledge transformation and application play an important role in strategic systems.

Further, the above findings exposed that team culture positive and significantly impacts on SCA. Based on this relationship's coefficient value, team culture's excellent practice can enhance flexibility in the hotel's strategies during risks occur. According to Delmas and Pekovic (2018), organizational strategies and decision-making play the role of team culture in the competitive market. It also significantly impact on SCA through strategic flexibility, which revealed on the above findings. Ndlela and Du Toit (2001) have investigated that sharing knowledge with the hotel's team members enhance SCA. Besides, the findings have shown that the CIA positive and significant effect on strategic flexibility. According to Bose (2008), it creates and maintains in the organization related web mining and technological-based. Drawing the RBV, the CIA indicates the pre-attention based on the hotels' resources to predict SCA. Besides, the results also have shown that it affects SCA through strategic flexibility, emphasizing decision-making to achieve SCA. The above results have shown that entrepreneurial behavior insignificantly affects strategic flexibility. Also, the above results showed it indirectly impact on SCA through strategic flexibility in an insignificant manner. According to Thomas (2014), strategic flexibility mediates between product design and performance. This outcome may be explained as the reason for the contextual unpredictability of insignificant findings.

Furthermore, the results showed that innovativeness significantly strengthens between strategic flexibility and SCA. Innovativeness in the correlation between customer behavior and results has been moderated according to Liu (2013). Moreover, the moderating impact of innovativeness between consumer behavior and results was analyzed using RBV Brockman *et al.* (2012). Likewise, essential to use RBV, the findings have shown that strategic flexibility significantly impacts SCA. This finding clarifies the importance of hotels' strategic flexibility overcoming the uncertain risk of inappropriate attention (Nadkarni and Narayanan, 2007). Concerns about strategic versatility have led hotels to pursue various types of creative activities to meet the current competitive requirements in their rivals or build numerous, if temporary, advantageous bases. By investigating SCA and the role play in it, this study model is the first to focus on Malaysian hotels' context.

### *Theoretical implications*

A further aim was to carry out a theoretical implication and thereby give practitioners assistance. As the hotel sector has evolved in the past decade, after becoming a stable, managed and growing market, SCA can be best described by hotel managers. The study addressed several issues that affect SCA variables, taking into account the common pattern in the hotel sector in Malaysia. Although the findings of the analysis are not broad and straightforward enough to propose a regulatory model for RBV-based SCA, it stresses the need to take many factors into account overall. There are an imposing variety of theoretical rationales to endure the perspective that hotel settings provide a more fruitful venue for SCA. The possible outcomes indicate that the above findings suggested that the impact of absorptive capacity, team culture and CIA positively impact SCA. The outcomes indicate that absorptive capacity (new external knowledge acquisition and assimilation) able to improve hotel strategic flexibility, in terms of getting action in a flexible taking decision. According to Chesbrough and Crowther (2006), the use that hotels make of external knowledge in the operation/production process indicates inbound open creativity. But this external knowledge does not percolate smoothly through the boundaries of the hotels that will not direct indulge to take decision for uncertain risks. It indicates that the above finding suggested, absorptive capacity also increase organizational SCA following mediating role of strategic flexibility. Chang *et al.* (2012) suggested that absorptive capacity with knowledge transfer effects performance.

The above findings have suggested that team culture can increase strategic flexibility by sharing and distributing knowledge among hotel management staff. Team culture is a special case that occurs when two or more member work interdependently for a limited time to perform a common and valued function. Vanpoucke *et al.* (2014) have investigated when a firm implements a unique value-creating strategy which any current or potential competitors do not implement simultaneously and when these other firms are unable to duplicate the benefits of this strategy. According to Costa *et al.* (2014), the teamwork can enhance organizational performance in a strategic environment. Besides, the CIA indicates competitive information and data gathering for using future strategies. While competitive intelligence is a relatively new management tool, it is evolving in complexity and importance to maintain pace with rapid business development (Nenzhelele and Pellissier, 2014). The above findings have suggested that the independent role of CIA required to increase the impacts of SCA. According to Wright (2011) has drawn attention to the requirement for a hotel, to be more aware of how it manages the critical information and knowledge around the many networks within a hotel.

The entrepreneurial behavior has shown that the irrelevant findings that may fail to enhance strategic flexibility. While it required to analyze and observe behavior as an owner or responsible personality. The findings have suggested that entrepreneurial behavior failed to predict SCA through strategic flexibility. The entrepreneurial behavior in hotel operational process, the activities of individuals engaged that occur in a period. It recognizes that most of

---

the entrepreneurial activity requires a set of actions or series of actions. The hotel needs to focus on entrepreneurial behavior with some probable reasons (i.e. irresponsible behavior). The hotel should concern these findings of each construct's outcomes in their theoretical implementation. The moderating role of innovativeness is required to enhance as it has a high impact between strategic flexibility and SCA. According to Wright (2011), attention is to be drawn to a hotel's requirement to be more aware of their innovativeness.

Finally, the above findings theoretically suggest that strategic flexibility significantly enhance SCA. According to Combe *et al.* (2012), the ability allows hotels to respond to environmental change and also enables them to lead change when operating in current fast moving hypercompetitive markets. While few empirical studies have investigated the consequences of strategic flexibility, a positive relationship between strategic flexibility and competitive advantage is indicated when hotels are involved in fast moving industries or must respond to environmental changes. It is suggested that strategic flexibility of hotel is more predictable in the competitive market to SCA.

#### *Managerial implications*

Furthermore, practical implication indicated that the hypotheses for future consequences are applied in reality. The results are critical to the adoption of SCA by the hotel industry. The hotel manager should concern or pay priority to the value of absorptive capability in the distribution of services and current external application of information. The results above indicate that hotel managers should concern themselves with team culture that influences strategic flexibility. Team culture not only denotes group work in the hotels for the production of facilities and goods, but also focuses on strategic decision-making.

Besides, the results of this present study also suggest that CIA indicates the hotel need to be aware in their competition to get advantage in the competitive market. It is prescribed to hotel managers that CIA results in regularity of sustaining in the market.

Hotel managers need to step up the CIA to put the results on the market where they are relevant and optimistic. The results also indicate to hotel managers that the hotel's management decisions could improve entrepreneurial activity among top employees. Entrepreneurial behavior points out that the conscientious behavior of the top staff will lead to organizational instability or risk. Besides, hotels also should be careful on entrepreneurial behavior to predict SCA through strategic flexibility. Moreover, the findings have suggested that hotel managers need to stand for improving strategic flexibility that enlighten SCA. Strategic flexibility to evaluate the effectiveness of hotel that enhance the developing perception of the hotel manager to take decision in critical manner or uncertain situation.

Hotel managers should concern the outcomes to improve hotel SCA. Hotel managers are advocated to take necessary action to follow on these findings and implement it to improve the hotel's SCA. Hotels should incorporate strategic flexibility in their standard operating procedures as competitive advantage requirements in a sustainable fashion with innovativeness. It is likely an essential element for the hotel to improve and develop further action plans. The hotel should concern the insignificant results of entrepreneurial behavior, which may unconfidently practice in the hotels. Few studies examine the impact of influencing factors on SCA to the best of authors' understanding (Combe *et al.*, 2012). Therefore, this can be a unique theoretical contribution to the current study. Besides, examining these direct and indirect effects on SCA has been carried out in Malaysian hotels, which can be considered another contribution of the current study.

To follow the way of findings implementation, hotels should begin with management to become conscious of this finding in a new phase. This study indicates. Training on these observations surrounding signs can be arranged by the hotel manager. Managers have often taken measures or met to forecast SCA according to the technique. The findings show that the

---

hotel manager should introduce the concept of reducing the hotel facilities' lack and inefficiency and succeeding in future business.

### Limitation and future research

Firstly, the researcher highly foster to validate further and extend the current model. Other factors in determining SCA used in the previous literature also addressed limitations, where this study determined only a few factors in the hotel industry.

The analysis takes action to minimize the risk of unethical practice as far as ethical issues are concerned. Any form of bias for data collection practice and/or responses to respondents. No respondent was obligated to participate; all respondents were able to respond by reading to a questionnaire and informed consent form. Since this study was restricted to the hotel industries in Malaya, it would be worth replicating the analysis in order to assess their SCA levels with other companies working in the same environment. Overall, all the relationships and objectives finally suggest using theories to implement these outcomes for future enhancement and success. Thus, future research should also address how SCA adapts to and even shape the hotel's organizational settings.

### References

- Afsar, B., Badir, Y.F., Saeed, B.B. and Hafeez, S. (2017), "Transformational and transactional leadership and employee's entrepreneurial behavior in knowledge-intensive industries", *The International Journal of Human Resource Management*, Vol. 28 No. 2, pp. 307-332.
- Ahmed, K.A. (2017), "The influence of development on managerial capabilities and performance: empirical evidence from Pakistan", *Journal of Southeast Asian Research*, pp. 1-12, doi: [10.5171/2017.164526](https://doi.org/10.5171/2017.164526).
- Anning-Dorson, T. and Nyamekye, M.B. (2020), "Engagement capability, innovation intensity and firm performance: the role of competitive intensity", *Journal of African Business*, Vol. 21 No. 4, pp. 493-508.
- Apriliyanti, I.D. and Alon, I. (2017), "Bibliometric analysis of absorptive capacity", *International Business Review*, Vol. 26 No. 5, pp. 896-907.
- Arbelo, A., Arbelo-Pérez, M. and Pérez-Gómez, P. (2020), "Heterogeneity of resources and performance in the hotel industry", *Journal of Hospitality and Tourism Research*, Vol. 45 No. 1, pp. 68-89.
- Ashauer, S.A. and Macan, T. (2013), "How can leaders foster team learning? Effects of leader-assigned mastery and performance goals and psychological safety", *The Journal of Psychology*, Vol. 147 No. 6, pp. 541-561.
- Audretsch, D.B. and Link, A.N. (2019), *Sources of Knowledge and Entrepreneurial Behavior*, University of Toronto Press, Toronto, Buffalo, London.
- Bamel, U.K. and Bamel, N. (2018), "Organizational resources, KM process capability and strategic flexibility: a dynamic resource-capability perspective", *Journal of Knowledge Management*, Vol. 22 No. 7, pp. 1555-1572.
- Barney, J. (1991), "Firm resources and sustained competitive advantage", *Journal of Management*, Vol. 17 No. 1, pp. 99-120.
- Barney, J., Wright, M. and Ketchen, D.J. Jr (2001), "The resource-based view of the firm: ten years after 1991", *Journal of Management*, Vol. 27 No. 6, pp. 625-641.
- Bartes, F. (2015), "The objectives of competitive intelligence as a part of corporative development strategy", *ACTA Universitatis Agriculturae ET Silviculturae Mendelianae Brunensis*, Vol. 62 No. 6, pp. 1243-1250.
- Bhakar, S.S., Kaurav, R.P.S., Parashar, M.P. and Sankpal, S. (2016), *Sustainable Competitive Advantage through Integrated Marketing Approach*, Bharti Publications, New Delhi.

- 
- Bose, R. (2008), "Competitive intelligence process and tools for intelligence analysis", *Industrial Management and Data Systems*, Vol. 108 No. 4, pp. 510-528, doi: [10.1108/02635570810868362](https://doi.org/10.1108/02635570810868362).
- Brockman, B.K., Jones, M.A. and Becherer, R.C. (2012), "Customer orientation and performance in small firms: examining the moderating influence of risk-taking, innovativeness, and opportunity focus", *Journal of Small Business Management*, Vol. 50 No. 3, pp. 429-446.
- Bromiley, P. and Rau, D. (2016), "Operations management and the resource based view: another view", *Journal of Operations Management*, Vol. 41, pp. 95-106.
- Brozovic, D. (2018), "Strategic flexibility: a review of the literature", *International Journal of Management Reviews*, Vol. 20 No. 1, pp. 3-31.
- Butchibabu, A., Sparano-Huiban, C., Sonenberg, L. and Shah, J. (2016), "Implicit coordination strategies for effective team communication", *Human Factors*, Vol. 58 No. 4, pp. 595-610.
- Camisón-Zornoza, C., Forés-Julián, B. and Puig-Denia, A. (2009), "Effect of shared competences in industrial districts on knowledge creation and absorptive capacity", *International Journal of Social and Human Sciences*, Vol. 3, pp. 1307-1321.
- Chang, Y.-Y., Gong, Y. and Peng, M.W. (2012), "Expatriate knowledge transfer, subsidiary absorptive capacity, and subsidiary performance", *Academy of Management Journal*, Vol. 55 No. 4, pp. 927-948.
- Chaudhary, S. and Batra, S. (2018), "Absorptive capacity and small family firm performance: exploring the mediation processes", *Journal of Knowledge Management*, Vol. 22 No. 6, pp. 1201-1216, doi: [10.1108/JKM-01-2017-0047](https://doi.org/10.1108/JKM-01-2017-0047).
- Chen, C.-J. (2019), "Developing a model for supply chain agility and innovativeness to enhance firms' competitive advantage", *Management Decision*, Vol. 57 No. 7, pp. 1511-1534.
- Chen, Y., Wang, Y., Nevo, S., Benitez, J. and Kou, G. (2017), "Improving strategic flexibility with information technologies: insights for firm performance in an emerging economy", *Journal of Information Technology*, Vol. 32 No. 1, pp. 10-25.
- Chesbrough, H. and Crowther, A.K. (2006), "Beyond high tech: early adopters of open innovation in other industries", *R&D Management*, Vol. 36 No. 3, pp. 229-236.
- Chim-Miki, A.F. and Batista-Canino, R.M. (2017), "Tourism cooptation: an introduction to the subject and a research agenda", *International Business Review*, Vol. 26 No. 6, pp. 1208-1217.
- Cohen, J. (1988), *Statistical Power Analysis for the Behavioral Sciences*, 2nd ed., Routledge, Hillsdale, NJ.
- Coleman, S., Cotei, C. and Farhat, J. (2013), "A resource-based view of new firm survival: new perspectives on the role of industry and exit route", *Journal of Developmental Entrepreneurship*, Vol. 18 No. 1, p. 1350002.
- Combe, I.A., Rudd, J.M., Leeflang, P.S.H. and Greenley, G.E. (2012), "Antecedents to strategic flexibility: management cognition, firm resources and strategic options", *European Journal of Marketing*, Vol. 46 No. 10, pp. 1320-1339.
- Costa, P.L., Passos, A.M. and Bakker, A.B. (2014), "Team work engagement: a model of emergence", *Journal of Occupational and Organizational Psychology*, Vol. 87 No. 2, pp. 414-436.
- de Carvalho, G.D.G., Cruz, J.A.W., de Carvalho, H.G., Duclós, L.C. and Corrêa, R.O. (2020), "Innovativeness and cooptation in tourism SMEs: comparing two cooperative networks in Brazil", *Journal of Hospitality and Tourism Insights*, Vol. 3 No. 4, pp. 469-488.
- de Paiva Costa, J.H. and Pereira, Y.V. (2019), "The dynamic capabilities of AccorHotels in Brazil", *Journal of Hospitality and Tourism Insights*, Vol. 3 No. 2, pp. 253-269.
- Delmas, M.A. and Pekovic, S. (2018), "Organizational configurations for sustainability and employee productivity: a qualitative comparative analysis approach", *Business and Society*, Vol. 57 No. 1, pp. 216-251.
- Dotzel, T. and Shankar, V. (2019), "The relative effects of business-to-business (vs. business-to-consumer) service innovations on firm value and firm risk: an empirical analysis", *Journal of Marketing*, Vol. 83 No. 5, pp. 133-152.

- 
- Eichhorn, B.R. (2014), *Common Method Variance Techniques*, Cleveland State University, Department of Operations & Supply Chain Management, Cleveland, OH, SAS Institute.
- Furrer, O., Thomas, H. and Goussevskaia, A. (2008), "The structure and evolution of the strategic management field: a content analysis of 26 years of strategic management research", *International Journal of Management Reviews*, Vol. 10 No. 1, pp. 1-23.
- Gruber, M. and MacMillan, I.C. (2017), "Entrepreneurial behavior: a reconceptualization and extension based on identity theory", *Strategic Entrepreneurship Journal*, Vol. 11 No. 3, pp. 271-286.
- Guarda, T., Augusto, M. and Silva, C. (2012), "Competitive advantage in e-commerce: the case of database marketing", in *Business, Economics, Financial Sciences, and Management*, Springer, Algarve, pp. 123-130.
- Hair, J.F. Jr, Black, W.C., Babin, B.J., Anderson, R.E. and Tatham, R.L. (2010), "SEM: an introduction", *Multivariate Data Analysis: A Global Perspective*, Vol. 5 No. 6, pp. 629-686.
- Han, H., Kim, W. and Jeong, C. (2016), "Workplace fun for better team performance: focus on frontline hotel employees", *International Journal of Contemporary Hospitality Management*, Vol. 28 No. 7, pp. 1391-1416.
- Harrigan, K.R. (2017), "Strategic flexibility and competitive advantage", *Oxford Research Encyclopedia of Business and Management*.
- Henseler, J., Ringle, C.M. and Sarstedt, M. (2015), "A new criterion for assessing discriminant validity in variance-based structural equation modeling", *Journal of the Academy of Marketing Science*, Vol. 43 No. 1, pp. 115-135.
- Hernández-Perlines, F. (2016), "Entrepreneurial orientation in hotel industry: multi-group analysis of quality certification", *Journal of Business Research*, Vol. 69 No. 10, pp. 4714-4724.
- Hollebeek, L. and Rather, R.A. (2019), "Service innovativeness and tourism customer outcomes", *International Journal of Contemporary Hospitality Management*, Vol. 31 No. 11, pp. 4227-4246.
- Hossain, M.S., Khalifa, G.S.A. and Horaira, M.A. (2019), *Value-Based Fairness in Malaysian Five-Star Resorts: Measuring the Roles of Service-Related Attributes and Guest Behavioral Loyalty*, Vol. 8 No. 2, pp. 227-254.
- Hu, M.-L.M., Horng, J.-S. and Sun, Y.-H.C. (2009), "Hospitality teams: knowledge sharing and service innovation performance", *Tourism Management*, Vol. 30 No. 1, pp. 41-50.
- Hyytinen, A., Pajarinen, M. and Rouvinen, P. (2015), "Does innovativeness reduce startup survival rates?", *Journal of Business Venturing*, Vol. 30 No. 4, pp. 564-581.
- Jamshed, S. and Majeed, N. (2019), "Relationship between team culture and team performance through lens of knowledge sharing and team emotional intelligence", *Journal of Knowledge Management*, Vol. 23 No. 1, pp. 90-109.
- Jansen, J.J.P., Van Den Bosch, F.A.J. and Volberda, H.W. (2005), "Managing potential and realized absorptive capacity: how do organizational antecedents matter?", *Academy of Management Journal*, Vol. 48 No. 6, pp. 999-1015.
- Javalgi, R.R.G., Whipple, T.W., Ghosh, A.K. and Young, R.B. (2005), "Market orientation, strategic flexibility, and performance: implications for services providers", *Journal of Services Marketing*, Vol. 19 No. 4, pp. 212-221.
- Kale, E., Aknar, A. and Başar, Ö. (2019), "Absorptive capacity and firm performance: the mediating role of strategic agility", *International Journal of Hospitality Management*, Vol. 78, pp. 276-283.
- Köseoglu, M.A., Ross, G. and Okumus, F. (2016), "Competitive intelligence practices in hotels", *International Journal of Hospitality Management*, Vol. 53, pp. 161-172.
- Kozlowski, S.W.J. and Bell, B.S. (2019), "Evidence-based principles and strategies for optimizing team functioning and performance in science teams", in *Strategies for Team Science Success*, Springer, East Lansing, Ithaca, pp. 269-293, doi: [10.1007/978-3-030-20992-6\\_21](https://doi.org/10.1007/978-3-030-20992-6_21).

- 
- Kumar, S., Kumar, P. and Bhasker, B. (2018), "Interplay between trust, information privacy concerns and behavioural intention of users on online social networks", *Behaviour and Information Technology*, Vol. 37 No. 6, pp. 622-633.
- Kuncoro, W. and Suriani, W.O. (2018), "Achieving sustainable competitive advantage through product innovation and market driving", *Asia Pacific Management Review*, Vol. 23 No. 3, pp. 186-192.
- La Rocca, M., La Rocca, T. and Vidal, F.J.S. (2018), "Multibusiness firms and performance in Italy. What role does relatedness play?", *European Research on Management and Business Economics*, Vol. 24 No. 2, pp. 63-70.
- Le Roy, F., Fernandez, A.-S. and Chiambaretto, P. (2018), "From strategizing coepetition to managing coepetition", *The Routledge Companion to Coepetition Strategies*, Routledge, Abingdon, pp. 36-46.
- Lehmann-Willenbrock, N. (2017), "Team learning: new insights through a temporal lens", *Small Group Research*, Vol. 48 No. 2, pp. 123-130.
- Liao, S.-H., Chen, C.-C., Hu, D.-C., Chung, Y. and Yang, M.-J. (2017), "Developing a sustainable competitive advantage: absorptive capacity, knowledge transfer and organizational learning", *The Journal of Technology Transfer*, Vol. 42 No. 6, pp. 1431-1450.
- Lin, Y. and Wu, L.-Y. (2014), "Exploring the role of dynamic capabilities in firm performance under the resource-based view framework", *Journal of Business Research*, Vol. 67 No. 3, pp. 407-413.
- Lin, T.-C., Sheng, M.L. and Jeng Wang, K. (2020), "Dynamic capabilities for smart manufacturing transformation by manufacturing enterprises", *Asian Journal of Technology Innovation*, Vol. 28 No. 3, pp. 403-426, doi: [10.1080/19761597.2020.1769486](https://doi.org/10.1080/19761597.2020.1769486).
- Liu, H., Ke, W., Wei, K.K. and Hua, Z. (2013), "The impact of IT capabilities on firm performance: the mediating roles of absorptive capacity and supply chain agility", *Decision Support Systems*, Vol. 54 No. 3, pp. 1452-1462.
- Liu, S. (2013), "The role of service innovativeness in the relationship between market orientation and innovative performance: moderator or mediator?", *The Service Industries Journal*, Vol. 33 No. 1, pp. 51-71.
- Lozano-Oyola, M., Blancas, F.J., González, M. and Caballero, R. (2012), "Sustainable tourism indicators as planning tools in cultural destinations", *Ecological Indicators*, Vol. 18, pp. 659-675.
- Luvison, D. and Marks, M.A. (2013), "Team coordination in strategic alliances: identifying conditions that reduce team willingness to cooperate", *International Journal of Strategic Business Alliances*, Vol. 3 No. 1, pp. 1-22.
- Majid, A., Yasir, M., Yousaf, Z. and Qudratullah, H. (2019), "Role of network capability, structural flexibility and management commitment in defining strategic performance in hospitality industry", *International Journal of Contemporary Hospitality Management*, Vol. 31 No. 8, pp. 3077-3096.
- Monge, P. and Poole, M.S. (2008), "The evolution of organizational communication", *Journal of Communication*, Vol. 58 No. 4, pp. 679-692.
- Muñoz-Cañavate, A. and Alves-Albero, P. (2017), "Competitive intelligence in Spain: a study of a sample of firms", *Business Information Review*, Vol. 34 No. 4, pp. 194-204.
- Nadkarni, S. and Narayanan, V.K. (2007), "Strategic schemas, strategic flexibility, and firm performance: the moderating role of industry clockspeed", *Strategic Management Journal*, Vol. 28 No. 3, pp. 243-270.
- Ndlela, L.T. and Du Toit, A.S.A. (2001), "Establishing a knowledge management programme for competitive advantage in an enterprise", *International Journal of Information Management*, Vol. 21 No. 2, pp. 151-165.
- Nenzehele, T.E. and Pellissier, R. (2014), "Competitive intelligence Implementation challenges of small and medium-sized enterprises", *Mediterranean Journal of Social Sciences*, Vol. 5 No. 16, p. 92.

- Nzewi, H., Chiekezie, O. and Anizoba, A. (2016), "Competitive intelligence and performance of selected aluminium manufacturing firms in Anambra state, Nigeria", *International Journal of Business Administration*, Vol. 7 No. 3, pp. 62-70.
- Pellissier, R. and Nenzhelele, T.E. (2013), "The impact of work experience of small and medium-sized enterprises owners or managers on their competitive intelligence awareness and practices", *South African Journal of Information Management*, Vol. 15 No. 1, pp. 1-6.
- Placer-Maruri, E., Pérez-González, D. and Soto-Acosta, P. (2016), "Effects of the use of competitive intelligence in industrial SMEs", *Intangible Capital*, Vol. 12 No. 4, pp. 923-941.
- Porter, M.E. and Millar, V.E. (1985), *How Information Gives You Competitive Advantage*, Harvard Business Review, Reprint Service, available at: <https://hbr.org/1985/07>.
- Rafique, M., Hameed, S. and Agha, M.H. (2018), "Impact of knowledge sharing, learning adaptability and organizational commitment on absorptive capacity in pharmaceutical firms based in Pakistan", *Journal of Knowledge Management*, Vol. 22 No. 1, pp. 44-56.
- Rasoolimanesh, S.M., Noor, S.M. and Jaafar, M. (2019), "Positive and negative perceptions of residents toward tourism development: formative or reflective", *Quantitative Tourism Research in Asia*, Springer, Singapore, pp. 247-271, doi: [10.1007/978-981-13-2463-5\\_12](https://doi.org/10.1007/978-981-13-2463-5_12).
- Rodriguez, J.A. and Wiengarten, F. (2017), "The role of process innovativeness in the development of environmental innovativeness capability", *Journal of Cleaner Production*, Vol. 142, pp. 2423-2434.
- Seyyed-Amiri, N., Shirkavand, S., Chalak, M. and Rezaeei, N. (2017), "Competitive intelligence and developing sustainable competitive advantage", *AD-Minister*, Vol. 30, pp. 173-194.
- Shujahat, M., Hussain, S., Javed, S., Malik, M.I., Thurasamy, R. and Ali, J. (2017), "Strategic management model with lens of knowledge management and competitive intelligence: a review approach", *VINE Journal of Information and Knowledge Management Systems*, Vol. 47 No. 1, pp. 55-93.
- Singjai, K., Winata, L. and Kummer, T.-F. (2018), "Green initiatives and their competitive advantage for the hotel industry in developing countries", *International Journal of Hospitality Management*, Vol. 75, pp. 131-143.
- Su, W.-S., Hsu, C.-C., Huang, C.-H. and Chang, L.-F. (2018), "Setting attributes and revisit intention as mediated by place attachment", *Social Behavior and Personality: An International Journal*, Vol. 46 No. 12, pp. 1967-1981.
- Tan, K., Yuen, Y. and Ha, L. (2018), "Factors affecting knowledge governance implementation among Malaysian SMEs", *Management Science Letters*, Vol. 8 No. 5, pp. 405-416.
- Thomas, E.F. (2014), "Platform-based product design and environmental turbulence: the mediating role of strategic flexibility", *European Journal of Innovation Management*, Vol. 17 No. 1, pp. 107-124.
- Tuan, L.T. (2016), "Organisational ambidexterity and supply chain agility: the mediating role of external knowledge sharing and moderating role of competitive intelligence", *International Journal of Logistics Research and Applications*, Vol. 19 No. 6, pp. 583-603.
- Vanpoucke, E., Vereecke, A. and Wetzels, M. (2014), "Developing supplier integration capabilities for sustainable competitive advantage: a dynamic capabilities approach", *Journal of Operations Management*, Vol. 32 Nos 7-8, pp. 446-461.
- Voorhees, C.M., Brady, M.K., Calantone, R. and Ramirez, E. (2016), "Discriminant validity testing in marketing: an analysis, causes for concern, and proposed remedies", *Journal of the Academy of Marketing Science*, Vol. 44 No. 1, pp. 119-134.
- Wales, W.J., Covin, J.G. and Monsen, E. (2020), "Entrepreneurial orientation: the necessity of a multilevel conceptualization", *Strategic Entrepreneurship Journal*, pp. 1-22, doi: [10.1002/sej.1344](https://doi.org/10.1002/sej.1344).
- Wernerfelt, B. (1984), "A resource-based view of the firm", *Birger Wernerfelt strategic management journal*, Vol. 5 No. 2, pp. 171-180.
- Wright, S. (2011), *A Critical Evaluation of Competitive Intelligence and Insight Management Practice*.

- Yang, J., Zhang, F., Jiang, X. and Sun, W. (2015), "Strategic flexibility, green management, and firm competitiveness in an emerging economy", *Technological Forecasting and Social Change*, Vol. 101, pp. 347-356.
- Zawawi, N.F.M. and Abd Wahab, S. (2019), "Organizational sustainability: a redefinition?", *Journal of Strategy and Management*, Vol. 12 No. 3, pp. 397-408.
- Zhang, Y., Hult, G.T.M., Ketchen, D.J. and Calantone, R.J. (2020), "Effects of firm-, industry-, and country-level innovation on firm performance", *Marketing Letters*, Vol. 31, pp. 231-245, doi: [10.1007/s11002-020-09530-y](https://doi.org/10.1007/s11002-020-09530-y).
- Zhou, K.Z. and Wu, F. (2010), "Technological capability, strategic flexibility, and product innovation", *Strategic Management Journal*, Vol. 31 No. 5, pp. 547-561.

---

**Corresponding author**

Kashif Hussain can be contacted at: [kashif.hussain@msn.com](mailto:kashif.hussain@msn.com)