

“Strategic alignment and its impact on creating an organization’s reputation and image”

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STRATEGIC ALIGNMENT AND ITS IMPACT ON CREATING AN ORGANIZATION'S REPUTATION AND IMAGE

Abstract

The study aims to analyze and evaluate the potential impact of strategic alignment drivers on creating a company's reputation and image, using a descriptive analytical approach. An analysis and interpretation of findings demonstrate that strategic alignment with its internal and external variables is deemed to be a key determinant of a company's reputation and image customers have (with the regression coefficient of 0.38). The companies enjoying a great reputation are committed to creating an effective alignment between internal and external factors, while in companies with a weak or medium reputation, some manifestations of strategic inconsistency appear such as the deviation of competition foundations from their distinctive competencies, where the competitive competency is less appropriate with their competitive advantages, in addition to the lack of alignment between its existing strategy and main activities due to the company's failure in choosing its internal environment. The study makes recommendations to the surveyed companies regarding the importance of aligning their internal and external options to build their image and reputation desired by their customers.

Keywords

internal alignment, external alignment, intermittent alignment, strategy, organization's business, marketing, structure, ideology

JEL Classification

M31, L14, O33

INTRODUCTION

Many professionals and practitioners use the concepts of image, reputation and organizational identity without distinguishing between them (Shamma, 2012), and often use one of these terms instead of the other. Binz et al. (2015) found that an organization has many images and reputations according to the number of stakeholders, including customers, employees and others. Each of these parties have their own evaluation of the organization, as stakeholders relate to the organization in different ways; they may have needs that the organization works to meet, or the organization may be under their continued control (Memili et al., 2010). Tong (2015) stresses that this relationship affects the beliefs and feelings that individuals form about an organization in its logical-cognitive, and emotional-affective dimensions (i.e., the organization image). It also affects the alignment of beliefs and feelings with the values ascribed to the organization such as authenticity, reliability and integrity felt by individuals (i.e., an organization's reputation). Blombäck and Botero (2013) believe that an organization can invest in this relationship by creating an alignment and integration between its internal activities (strategy, structure, business operations, and management style) and its external communication (with market, its resources, capabilities, and the products and services it provides to its customers) to highlight its desired image. However, the problem with the image and reputation of an organization, as Zellweger et al.



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(2012) see, is that they are invisible and depend on consensual relationships for internal and external situational variables changing and outside its control. Many organizations, therefore, make linear bilateral agreements between two or more variables based on the contingency theory, and cause and affect relationships between variables (AlSurmi, 2016). Because of the limited results of partial binary alignments, a number of configurational organizational theories have been developed that connect independent variables with dependent ones in order to produce multiple cases of strategic alignment that creates an effective image of an organization (Mikalef et al., 2015). Cherry (2018) stresses the importance of using the Gestalt approach based on foresight in analyzing the interrelationships between the environment, organizational structure, strategies and behavior and adapting them to each other. In a changing and intensely competitive environment, organizations use the Game Theory to reach an optimal image and reputation according to the laws and style of the game (Hammoudi & Daidj, 2018). And this will only be achieved through alignment that produces a driving force for the image of an organization, and when alignment is built on the intersection of two or more strategic variables, an organization can enjoy a better image and reputation compared to competitors. Ansoff et al. (2019) found that this alignment changes rapidly and the balance is disturbed due to the changing environment of an organization, leading to a situation that we can call intermittent alignment, which means that long periods of alignment between capabilities, image and reputation of an organization are interrupted by periods of rapid changes, as is the case with the COVID-19 pandemic.

1. LITERATURE REVIEW AND HYPOTHESES

1.1. An organization's image and reputation

Environmental ambiguity increases in the business world due to two overlapping sets of factors: the first outside the organization's boundaries is RIP (Regulatory, Infrastructure, Preparedness), and the second within an organization's boundaries is HOT (Human, Organizational, Technological) (Miller & Peter, 1983; Hoque, 2004). As a result of the overlap of an organization's operations with each other or among themselves, the possibility of provoking a factor, albeit weak from RIP or HOT, leads to interrelated incidents that quickly inflate to produce negative impacts that extend to the organization's image and reputation. Consequently, organizations reconsider their policies and regulations to create alignment between the external and internal situation in such a way that is positively reflected in its image and reputation among employees, in the products and services it offers to its customers, and in all communications with internal and external stakeholders (Binz et al., 2013). Kosnik (1991) recommends using CRUDD test to check the organization and its image: Credible, Relevant, Unique, Deliverable, and Durable. His studies found that what distinguishes an organi-

zation from another is the intensive focus on one or more dimensions of CRUDD, and the strength or weakness of the organization's image and reputation depends on the degree of individuals' contact and interest in it, or on being affected by its activities. It is possible to identify the image of the organization and measure its reputation through three approaches:

- 1) Evaluation approach: reputation and image are the outcome of evaluating the productivity of an organization from the perspective of stakeholders;
- 2) Impression approach: the impression an organization creates in clients and/or workers about its activities, reflecting its reputation and image; and
- 3) Relational approach: an organization's reputation and image represent the gap between the viewpoint of internal stakeholders (identity) and external stakeholders (image) (Trotta & Cavallaro, 2012).

Beigi (2014) classifies the image of an organization into a self-image: how the organization sees itself; an actual image: how others perceive the activities of the organization; a desirable image: the organization wants to create for itself in the minds of others; an optimal image: an ideal image that

can be achieved through competition with others; and, finally, a multiple image: arises from different impressions of different parties about the organization. It is natural that this multiplicity does not last long, either turning into a positive image or into a negative image, or the image of an organization combines the positive and negative elements together depending on the severity of the impact of each on these individuals.

Based on the above, an organization's good reputation is a mathematical function of the number of times and ways in which the organization uses this reputation in gaining and maintaining customers, as the good reputation from a consumer's perspective reduces purchase risks and is considered a guarantee of good performance provided by the organization to its customers.

1.2. Strategic alignment

The official policies of an organization refer to the decisions regulating the strategy, structure, production and marketing processes. These policies affect the organization's culture, image and reputation among employees, and also the products and services it offers to its customers. The starting point for analyzing the organization's policies lies in its strategy.

1.2.1. Organization strategy

Effective strategies (total, strategic business units, functional) require alignment between them and building them to produce high value for customers (Motoc, 2019). Akintokunbo (2018) found that successful organizations start their business focusing highly on a product, service or market, and over time their focus decreases; and the more their activities expand, the more likely it is that some of their departments will become unprofitable and uncompetitive. Under pressure of rising sales and profits, organizations seek to diversify their products and markets by acquiring their competitors or entering into joint ventures with them, a matter that weakens their focus and thus their image and reputation. Miles and Snow (1994) concluded that successful organizations correspond to their markets and support their strategies with organizational structures that are compatible with their control processes. However, many organizations

achieve only a limited alignment with the needs of customers and little alignment between their strategies and structures. Here, it is difficult to determine the line between acceptable alignment and false alignment that creeps into the organization from internal sources and/or external exchanges. As the organization's strategy involves allocating its resources to create its assets – and the organization's image is one of these assets – the variation in these assets and how they are used to meet customer needs is what determines the competitive advantage of the organization in its markets (Zellweger et al., 2013).

1.2.2. Definition of an organization's business

Formulation of the strategy starts with defining the business of an organization, but many organizations define their business according to their own perspective and not according to the perspective of the market and customer needs (AlSayah, 2012). As a result, an organization is more concerned with the means based on products, production systems, and R&D rather than the objective based on the customer benefit (Musumal, 2019). Block and Wagner (2014) found that identifying businesses that have a market orientation enables the organization to compete better than competitors who adopt self-direction in determining their business, improves its image and reputation and makes it able to reshape its markets. Ohmae (1988) explained this result that defining an organization's business based on the market is better (as the customer's needs are permanent) than determining on the basis of products (as their life is short). Ahmed (2018) focuses on the importance of using an organization's capabilities in determining its business and linking it with its ability to provide products and services that succeed in marketing them, and thus the organization can, by introducing its basic capabilities in its products, make for itself an important position in the market and thus in its image and brand.

1.2.3. Marketing strategy

Marketing links an organization with its customers, and its impact is significant in achieving external alignment and thus in the image and reputation of the organization among customers (Kahlert et al., 2017; Lude & Prügler, 2017). This ef-

fect may be negative in the event of a price war, which devalues a specific industry, price promotion, which depreciates brand, or positive when marketing creates a genuine value for customers rather than bribing them to buy their loyalty for the product (Umer & Salman, 2019). To achieve this, Sageder and Feldbauer (2018) propose dividing customers into sectors, each with similar and different needs, and then defining the specifications of products to suit the needs of customers in these sectors, and when product prices are commensurate with the potentials of the customer, the goal is to achieve compatibility between what is offered and what is desirable, and if customer value (benefit versus price) can be linked with the customer's cultural values, the organization's image is elevated to an excellent level.

1.2.4. Organizational structure

Alaawmleh and Kloub (2013) focused on determining the impact of the organizational structure on achieving internal alignment, and consequently, the image and reputation of the organization among workers in turbulent environments, where the current organizational structures due to environment changes become inappropriate and need to be re-designed, and in order to succeed in such circumstances, the organization needs organic or adhocracy structures rather than mechanic ones.

1.2.5. Ideology

Blombäck and Ramírez (2012) found evidence that ideology or organizational culture transforms the internal values and beliefs contained in the organization's vision into a general behavior among employees, and that it affects the process of forming the image (i.e., beliefs) and reputation (i.e., values) of the organization, and that a balanced ideology contributes to achieving internal and external alignment, and thus, in drawing the organization's desired image and reputation. This is achieved via the flow of ideology in the segments of the organization: in the method of distributing rewards, in the methodology of designing plans and methods for solving problems, etc., and also it affects the organization's strategy, structure and control systems (Janicijevic, 2012). Hussein Ali et al. (2017) confirm that building organizational sub-cultures on quality and customers produces good long-

term financial performance, and if the strands of culture are networked sending harmonious signals to customers, culture becomes a key determinant of a company's desired image and reputation.

Based on the above, this study aims to conduct a theoretical and empirical analysis of the dynamic impact of strategic alignment on the reputation and image of Jordanian companies operating in the sector of engineering and construction industries from the perspective of the clients of those companies. To achieve these goals, a main hypothesis was formulated and then two sub-hypotheses were derived from it:

H_1 : *A statistically significant effect is expected between strategic alignment and a company's image and reputation at the level of $\alpha = 0.05$.*

H_{11} : *It is expected that there is a statistically significant effect between the external strategic alignment with its variables (a company's resources, own capabilities, products and services, and business and activities) and a company's reputation and image at the level of $\alpha = 0.05$.*

H_{12} : *It is expected that there is a statistically significant effect between the internal strategic alignment with its variables (organizational structure, a company's productive operations, management style, policies, control systems, ideology) and a company's image and reputation at the level of $\alpha = 0.05$.*

2. RESEARCH METHODOLOGY

2.1. Research problem

The survey sample companies were subjected to the IUDS test, which includes four aspects: Is what the company does Important to employees and customers? Can the company fulfil what it promises Deliverable? Are their products and services Unique in their kind? Is it Sustainable over time? (Evans et al., 2017). The test results showed that companies that scored above the industry average in the IUDS test have a greater ability than others to maintain sustainable ROA and ROI above average, or have a

Table 1. Survey results on measuring sample companies' reputation and image

Corporate image and reputation variables*	Customers N = 74		Managers N = 37		Gap (Customers – Managers)
	Arithmetic mean	Standard deviation	Arithmetic mean	Standard deviation	
Management Quality	2.09	1.29	4.65	1.23	(2.56)
Quality of products and services	3.45	1.02	4.53	1.07	(1.08)
Ability to develop	2.12	1.32	4.52	1.09	(2.40)
Financial Abilities	2.80	1.05	3.91	0.97	(1.11)
Exploitation of company assets	3.02	0.87	4.01	1.24	(0.99)
Market value	2.93	1.04	3.62	0.95	(0.69)
Innovation score	2.21	0.98	3.17	1.03	(0.96)
Environment Preservation	3.14	0.91	3.52	1.01	(0.38)
Overall reputation and image	2.73	0.96	3.99	1.04	(1.26)

Note: * The researcher conducted an exploratory study before preparing the study, and its results were recorded in this table, and it was relied on determining the research problem.

greater ability than others to achieve ROI and ROI than others above average. When looking into the reasons for these capabilities, evidence was found that these companies have a sustainable competitive advantage that is difficult to simulate and imitate because of their investment in building their reputation and image, and this is partially in line with Dowling (2001). Here, the study turned to examining the reputation and image of these companies from their customers' point of view.

The survey results proved that there is a big gap between customers (how others see the company, an external perspective) and managers (how the company sees itself, an internal perspective), and the gap was the biggest at Management Quality and the least at Environment Preservation. When searching for the reasons behind this gap, it was

clear that it is related to factors related to strategic alignment (Umair & Salah El-Din, 2017; Sala, 2013). Based on this, the research problem was identified with the following question: Does strategic alignment, with its internal and external dimensions, affect the reputation and image of companies among customers? What is the severity of that effect? And what is its direction? The following sub-questions are derived from this main question: What is the level of strategic alignment in the research sample companies? What is the level of reputation and image of the research sample companies?

2.2. Research method

The research methodology consisted of three stages:

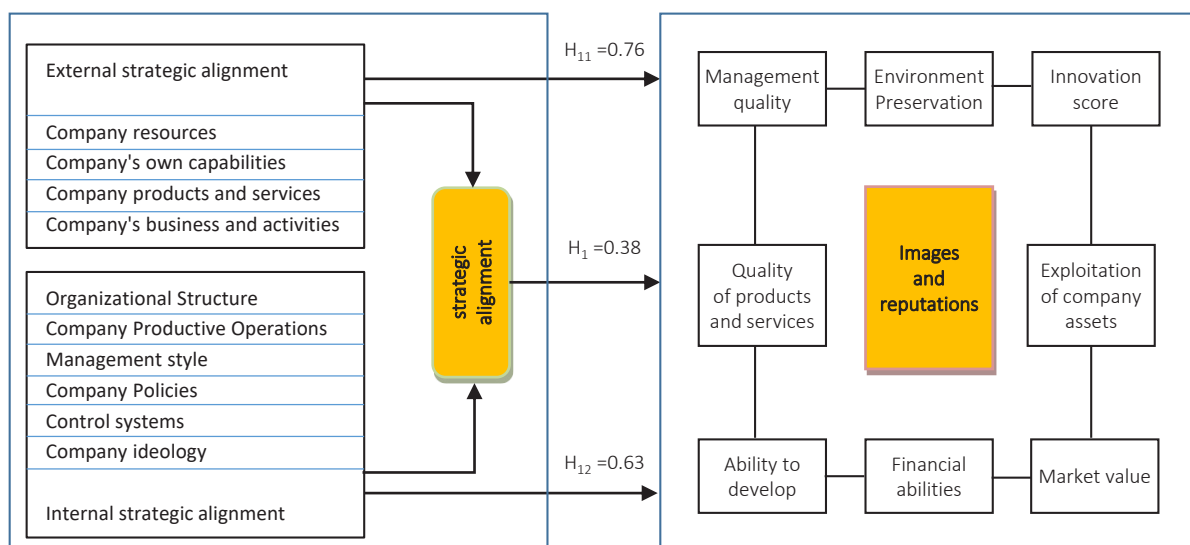


Figure 1. Strategic alignment and its impact on the creation of an organization's reputation and image

- 1) Evaluative research to determine the distinctive characteristics of companies and the reasons behind those characteristics.
- 2) Designing a model to survey customers' opinions through their estimates and classification of the company and its competitors.
- 3) Statistical analysis to determine the companies' images and reputations according to their strengths and weaknesses.

2.3. Research data collection

The data was collected through a questionnaire that was tested for content validity, by presenting it to marketing and strategy specialists. Then it was distributed to 48 individuals as a facilitated sample to ensure the understanding and clarity of questions, and some questions were added, deleted and modified.

Table 2. Cronbach's alphas for measures of research variables

Scale	Number of phrases	Alpha coefficient
Strategic alignment	30	0.85
Corporate images and reputations	24	0.89

2.4. Testing the validity and reliability of the research questionnaire

Confirmatory Factor Analysis was conducted to measure the convergent and discriminant validity of the questionnaire questions, and the questions

with a Squared Multiple Correlation value of less than 50% were deleted because they were not significantly related to the concept they measure. The analysis showed that the data model was significant, as it was $X^2 = 1,503$, scores of freedom = 389, significance level = 0.000; and the quality of the model in terms of CFI = 0.085, TLI = 0.082, IFI = 0.085, RFI = 0.073, NFI = 0.077, RMSEA = 0.06 (Hensete et al., 2015). The Convergent Validity test, which measures the correlation of the questionnaire questions with the concept they measure, proved that it is significant, where AVE values of the concepts were greater than 0.05 as a standard value (Hair et al., 2016). Then, the Discriminate Validity of the questionnaire was examined to make sure that its questions are more related to the concept it measures than to other concepts; it was found that there was a high discriminatory ability for it as AVE values were greater than the value of Shared Variance (Teo et al., 2015). Finally, the reliability of the questionnaire variables was verified by using the Cronbach Alpha test, where the calculated values ranged between 63%-91%, which are suitable for research, being $\geq 60\%$ (Sekaran & Bongie, 2016).

2.5. Research community and sample

The study was applied to Jordanian engineering and construction companies (Engineering & Construction) whose shares are listed on the Amman Stock Exchange, namely, 5 companies: Al Batoon Al Jahiz, Quds for Concrete, Metal Pipes, Institutional for Metal, Al Asas); the survey unit was represented by the customers of those companies.

Table 3. Worrying financial indicators of the image and reputation of the Engineering and Construction sector

Source: Amman Stock Exchange data.

Indicators reflecting companies' images and reputations	2016	2017	2018	2019
Value Traded (JD)	54,335,978	18,532,934	47,641,619	20,252,847
Retained (losses) Earnings	-3,023,812	-5,576,983	-6,822,944	-30,460,132
Earnings Per Share (JD)	0.07	0.01	-0.05	-0.12
Dividends Per Share to Earnings Per Share %	71.7	336.78	-22.32	0
Return on Total Assets %	3.63	0.65	-2.38	-6.71
Return on Equity %	5.56	1.07	-4.28	-13.47
Debit Rate %	34.88	38.92	44.39	50.15
Assets Turnover (Times)	0.62	0.59	0.47	0.44
Trade Ratio (Times)	1.18	1.12	0.97	0.77

Note: * Data for 2020 is not available.

Statistical tables were used to determine the sample size, and assuming that the research population is 500,000 to α , a confidence coefficient is 95% and limits of error are $\pm 5\%$, the sample size is:

$$\begin{aligned} \text{Standard Error} &= \sqrt{(P \cdot L)/N} = \\ &= (0.25)(0.25) = (0.5 \cdot 0.5)/N = \quad (1) \\ &= 400 \text{ Customers.} \end{aligned}$$

The sample items were drawn as follows: Random selection of corporate customers, all days of the week except Friday being an official holiday, 8 hours a day, the customer had previously dealt with the company, which qualifies them to judge its image and reputation.

3. RESEARCH RESULTS

3.1. Answering the research questions

3.1.1. The level of corporate image and reputation from the research sample viewpoint

Variables emerged of strategically aligned companies with great images and reputations, very large as a result of their products and services, and with a medium degree for their financial capabilities. While the strategically nonaligned company variables reflected medium images and reputations, as

well as weak capabilities in the areas of innovation, development of their products and services and the evaluation of their shares in the financial market. There are clear differences about the degree of importance of the image and reputation variables of strategically aligned companies, and limited differences about the importance of the quality of their products and services, while there are sharp, very clear, and clear differences about the degree of importance of the image and reputation variables of strategically nonaligned companies. The result of the T-test was significant at the level of 5% for all variables of corporate image and reputation, which confirms the existence of substantial differences between companies due to levels of strategic alignment or non-alignment.

3.1.2. The importance of strategic alignment from a research sample perspective

Table 5 shows that all the strategic alignment variables follow a normal distribution, and that the responses of the surveyed companies' customers are significant at the level of $\alpha \leq 0.05$. The best levels of strategic alignment were in the variable "The company's production processes". As a result, the strength of the internal production processes was reflected in external opportunities used to produce competitive goods and services in consumer markets supported by appropriate organizational structures. As for the worst levels of strategic alignment, it was in the variable "A company's limited resources", which weakened the areas, businesses

Table 4. Images and reputations of the companies surveyed from viewpoint of the research sample

Corporate image and reputation variables	Higher than industry average (strategically aligned)		Below industry average (strategically nonaligned)		T-test	
	Arithmetic mean	Variation coefficient	Arithmetic mean	Variation coefficient	Sig.	Decision
Management Quality	3.92	22.91	2.73	45.31	0.02	Significant
Quality of products and services	4.52	17.36	3.22	22.91	0.01	Significant
Ability to develop	4.4	27.19	3.05	23.94	0.04	Significant
Financial Abilities	3.01	23.86	1.98	26.06	0.04	Significant
Exploitation of company assets	4.08	28.02	2.99	38.12	0.02	Significant
Market value	3.65	22.43	2.09	32.93	0.03	Significant
Innovation score	4.38	25.76	2.49	60.23	0.05	Significant
Environment Preservation	3.87	39.33	2.58	64.21	0.04	Significant
Overall reputation and image	3.94	25.21	2.74	32.76	0.01	Significant
Arithmetic mean characterization	1-1.49 Very weak	1.5-2.49 weak	2.5-3.49 Medium	3.5-4.49 Large	4.5-5 very large	-
Characterization of variation coefficient	0.00 – 50.0 Very limited variation	0.05 – 02.0 Limited	0.20 – 04.0 Clear	0.40 – 06.0 Very clear	0.60 Sharp	-

Table 5. The level of strategic alignment from a research sample perspective

Strategic alignment variables	Arithmetic mean	Standard deviation	K – S	Indication level	Strategic alignment level	Materiality
			Z value			
Company resources	1.41	1.05	7.45	0.001	very weak	28.20%
Company's own capabilities	2.78	1.24	6.38	0.002	medium	55.60%
Company products and services	3.43	1.07	7.91	0.001	medium	68.60%
Company's business and activities	2.33	0.96	6.82	0.002	weak	46.60%
External strategic alignment	2.49	1.05	6.21	0.002	weak	49.80%
Organizational structure	3.89	1.24	5.9	0.003	strong	77.80%
Company productive operations	4.01	0.98	7.06	0.001	strong	80.20%
Management style	1.48	0.96	4.33	0.005	very weak	29.60%
Company policies	2.43	1.32	6.84	0.002	weak	48.60%
Control systems	3.46	1.11	5.93	0.003	medium	69.20%
Company ideology	3.51	1.84	6.48	0.002	strong	70.20%
Internal strategic alignment	3.12	1.04	6.77	0.002	medium	62.40%
Overall strategic alignment	2.85	1.29	7.62	0	medium	57%
Description of arithmetic mean	1-1.49 very weak	1.5-2.49 weak	2.5-3.49 medium	3.5-4.49 strong	4.5-5 very strong	–

and growth of companies' activities, driven by internal weaknesses in the variables (Administrative patterns and organizational policies). It was found that there were sharp differences between the variables of strategic alignment, which affected the results of partial and total strategic alignment, which appeared in agreement (external-weak / internal-medium / total-medium).

3.2. Testing research hypotheses

3.2.1. Testing the main research hypothesis

The results in Table 6 refer to the significance of the research model in terms of the regression coefficient value (0.38) at the level of $\alpha \leq 0.01$ and the calculated T-value (11.483), and thus, the possibility of relying on strategic alignment in predicting the images and reputations of companies according to the following equation, which reflects a direct relationship between strategic alignment

and companies' images and reputations, and that when strategic alignment increases by 1 unit, it leads to improved companies' images and reputations by 0.38 units.

$$Y = 4.27 + 0.038 x. \quad (2)$$

3.2.2. Testing the first sub-hypothesis

Beta coefficients in Table 7 and the *t*-test show that the products and services of companies and their various own capabilities are more influential in determining the images and reputations of companies at the level of $\alpha \leq 0.001$, where Beta coefficients are 0.30-0.28, in terms of calculated *t*-values (6.92-5.14), which was greater than its tabular value (2.581); the companies' resources, business areas and activities have an impact on their images and reputations at the significance level of $\alpha \leq 0.05$, in terms of the calculated *t*-values (2.63-2.15), which is greater than its tabular

Table 6. Results of a simple linear regression analysis, impact of strategic alignment on company image and reputation

Strategic alignment variables	Regression coefficient	Standard error	Calculated T	R ²	Value corresponding to significance level	Statistical significance
Constant amount	4.27	1.219	3.489	–	0.001	–
Strategic Alignment	0.38	0.36	11.483	0.393	0.000	Significant
Model parameters	Correlation coefficient value $r = 0.68$			Calculated F value = 132.866		
	Level of significance = 10.0			T tabular value = 1.962		
	Tabular F value = 2.32					

Table 7. Impact of external strategic alignment on company image and reputation

External strategic alignment variables	B	Standard error	Beta	Calculated T value	Significance level t
Company resources	2.8	0.037	0.23	*2.43	0.03
Company's own capabilities	0.15	0.036	0.28	**5.14	0.004
Company products and services	0.13	0.35	0.3	**6.92	0
Company business and activities	1.72	0.31	0.24	*2.15	0.04

Note: * Statistically significant at $\alpha \leq 0.05$; ** statistically significant at $\alpha \leq 0.01$. Calculated Total T-value = 0.76.

value (1.962) at the level of significance of $\alpha \leq 0.05$. Based on these results, the first sub-hypothesis is accepted.

3.2.3. Testing the second sub-hypothesis

Stepwise Linear Regression was used to determine the internal factors affecting the image and reputation of companies, and to determine the materiality of those factors. It was found that there were significant effects of the internal factors in the images and reputations of companies at $\alpha \leq 0.001$ and $\alpha \leq 0.05$ in terms of T-test results, which showed that all the internal strategic alignment variables have a significant effect on the model, and the VIF values that measure multicollinearity were less than 4, which reflects the weak correlation between the internal strategic alignment variables; the correlation was direct, strong (73%) and significant at 0.01 between internal factors and a company's images and reputations among its customers. The value of the R^2 coefficient was 63%. The most important internal factor was "Company production operations", and least influential was "Company ideology" being a slow-acting developmental force in shaping a company's image and reputation.

4. DISCUSSION

The results showed that most of the research sample companies achieve neither tight alignment nor false one, but rather limited alignment with customer needs and limited alignment between their strategies and organizational structures. Also, the same company has a different image and reputation among customers due to different types of customers who want different benefits from the company. To meet these needs, the company must adopt a purposeful marketing strategy and provide a 4PS marketing mix that suits each category of its customers. When the company aligns among customer groups and their needs that must be met with the business models, it uses to meet these needs and designs businesses based on the intersection of internal and external factors, at that time, its desired image and reputation are enhanced. It has been found that aligned companies are flexible in their business, they adapt to their environment and combine their strategies, business systems and structures to deliver value to their customers and employees alike, while fragile alignment produces strong pressures for change, and whether the change is evolutionary or revolutionary, what determines its type is the degree of internal and/or external misalignment faced by the

Table 8. Impact of internal strategic alignment on company image and reputation

Internal strategic alignment variables	Standardized Beta coefficient	T test	Sig.	VIF
Fixed part	–	2.88**	0.001	–
Organizational structure	0.52	8.32**	0	1.02
Company's production operations	0.57	9.16**	0	1.04
Management style	0.46	4.57**	0.002	1.03
Company policies	0.37	2.49*	0.003	1.07
Control systems	0.48	6.41**	0.005	1.06
Company ideology	0.29	2.03*	0.04	1.05

Note: * Statistically significant at $\alpha \leq 0.05$; the tabular t-value at the level of significance $\alpha \leq 0.05$ and scores of freedom 393 = 1.962; ** statistically significant at $\alpha \leq 0.01$, the tabular t-value at the level of significance $\alpha \leq 0.01$ and degrees of freedom 393 = 2.581; $R^2 = 63\%$, $r = 73\%$, $F = 44.82$, Std. error = 0.65, Sig. = 0.05 – 0.01.

company. Well-judged (not restrictive) levels of internal and external alignment were a necessary but not sufficient condition for developing a strong set of images and reputations among customers, and that management's talk about the company in a consistent manner and based on a common understanding of its strategies is essential in forming a distinctive image or a high-value reputation for the company. The results confirmed that building a good reputation and strong image is a cumulative process that requires different alignments between strategic variables, and it takes a long time to reach its final form among customers; if it becomes stronger and unique in its kind, it becomes very difficult to change; the company's good reputation is its wealth, while the bad is a disaster for it. A good reputation requires high operational performance, linking the values inherent in the company's vision with the values of the target customers, and, as a result, the alignment is enhanced and a good reputation is established so that the company becomes more effective and impactful and has many opportunities to add value to its operational and financial operations. The results showed a relationship between the external alignment that establishes the company's reputation among customers and the internal alignment that determines its image among employees. Companies that achieved an average above the overall average of reputation have achieved greater profits and helped them maintain these profits for a long time. A relationship was found between a company's basic capabilities, objectives, its competitive field in the market (how to compete), its image and reputation; the company's basic capabilities and collective learning enable it to

provide products whose marketing is successful for it; and build a special position for them in the market and in the mind of consumers and thus in the company's image and reputation so that it becomes effective and not passive in the market. These basic capabilities are a major determinant of the company's comprehensive strategies. The results showed that building administrative systems that support the company's vision and control systems that support its strategies, enhances the internal alignment and the company's image and reputation among employees (internal image), and, in turn, internal alignment is reflected in its products and markets (external image). An appropriate structure, control activities, and coordination mechanisms that complement and align with the company's overall strategy are the essential driver of internal alignment. The organizational ideology in aligned companies has played an important role in translating the values contained in the vision into general behavior of employees; it also affects the way many aspects of the company's strategy, structure, and control systems are implemented according to the McKinsey 7-S model. The relentless pursuit of many research sample companies to align what individuals do in the company and what a company actually does has caused them to fall into the mismeasurement case, which means measuring employees' efforts and achievements instead of measuring customer satisfaction, and has weakened their alignment and then their image and reputation, and that it is right to design a performance system that enhances customer satisfaction, produces greater sales and higher profitability, and therefore supports the company's image and reputation.

CONCLUSION

The study results show that strategically aligned companies have a strong and large image and reputation, where the variables that scored a very high and high level were 7 in addition to one variable with a medium level, while the image and reputation of strategically non-aligned companies were at the medium level because their capabilities were simple in 6 variables and weak in 2 variables. As a result, a strong and significant correlation emerged between strategic alignment and corporate image and reputation. Results revealed the existence of different significant effects related to the external strategic alignment variables, where the strongest were in the company's products and services and the lowest in the company's resources, while in the internal strategic alignment variables, the strongest were in the company's production operations and the lowest in the company's ideology, image and reputation. According to the results, the surveyed companies are recommended to develop and test objective measures to evaluate their strategic alignment level and follow up the impact of both internal and external alignment on the image and reputation of these companies.

AUTHOR CONTRIBUTIONS

Conceptualization: Abedalsttar Alsayah.
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 Formal analysis: Abedalsttar Alsayah.
 Funding acquisition: Abedalsttar Alsayah.
 Investigation: Abedalsttar Alsayah.
 Methodology: Abedalsttar Alsayah.
 Project administration: Abedalsttar Alsayah.
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 Writing – original draft: Abedalsttar Alsayah.
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