

## Use of structured knowledge processes in order to improve innovation in business model with mediating the role of organizational agility in small and medium businesses in Iran

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**Abstract:** This study was conducted to use structured knowledge processes to improve innovation in the business model with the mediating role of organizational agility in small and medium businesses in Iran. A standard questionnaire was used to collect field data. The questionnaire was distributed among 383 sample people from the statistical population, which is all managers and experts of small and medium businesses in Iran. The research method was descriptive-correlational. To answer the questions and test the research hypotheses with Smart-PLS software, the method of studying structural equations and path analysis using the partial least squares (PLS) method was used. The results show that the process of knowledge acquisition has a positive and significant effect on the process of knowledge conversion and the process of knowledge conversion on the process of knowledge application and the process of knowledge application on innovation in the business model. The results also show that the process of applying knowledge has a positive and significant effect on organizational agility and organizational agility on innovation in the business model. The results finally confirmed the positive and significant effect of the process of applying knowledge through organizational agility on innovation in the business model.

**Keywords:** Structured knowledge processes, knowledge management, organizational agility, business model innovation, small and medium businesses in Iran.

### 1. Introduction

Digital challenges have forced many factories to make their business strategically flexible and innovative (Nylen & Holmstrom, 2015). Factories have shifted to innovative business models, typically seen as a shift in organizational value creation (Foss & Saebi, 2018). A large-scale study by IBM Global Business Services CEO reports that business model innovation is a constant source of value creation for companies around the world. Similarly, leadership management and innovation consulting firms emphasize that business model innovation brings a stable competitive advantage in times of continuous change (Vermuelen, 2018). Thus, the best management teams research the organizational resources and capacities of the research organization to achieve business model innovation (Spieth et al, 2014; Teece, 2010).

The concept of business model innovation has also been prominent in the scientific community, especially in management research (Clauss et al., 2019; Foss & Saebi, 2018; Schneider & Spieth, 2013; Spieth et al., 2014). Numerous attempts have been made to identify business model innovation as a process (Frankerberger et al., 2013) and its relationship to strategy (Spieth et al., 2016), leading to a typology of business model innovation and unraveling the complex entanglement has been the result of implementing business innovation (Zott & Amit, 2007, 2008). The rudimentary systematic literature, covering more than two decades of business model innovation research, has potentially focused on business innovation through internal movement (Foss & Saebi, 2017). In particular, limited research has been conducted on whether and how structured knowledge processes and organizational agility affect business model innovation.

Organizational agility Tallon & Pinsonneault ity refers to the ability of a company to change or adapt quickly to respond to change (Talut and Pinsoniolt, 2011). Organizational agility is basically considered as a

necessity for organizations in the face of situational and environmental changes in the use of production factors to achieve organizational goals (Shahrabi, 2011). In order to address such issues, the agility of the organization requires the company to respond quickly to changes in its knowledge in order to respond to environmental changes, especially changes in the market environment (Kodish et al., 1995).

Knowledge management is a coherent systematic process that employs the right combination of information technology and human interaction to identify, manage, and share an organization's information assets. These assets include databases, documents, policies, and procedures. . In addition, it includes both explicit and implicit knowledge of employees and uses a variety of methods to capture, store and share knowledge within an organization (Martelo & Cegarra, 2014). The most important goal of applying knowledge management in different types of institutions is to adapt quickly to changes in the environment in order to improve efficiency and greater profitability. As a result, knowledge management refers to the process of how knowledge is created, disseminated and applied in the organization. In other words, the ultimate goal of knowledge management is to share knowledge among employees in order to enhance the added value of existing knowledge in the organization (Ortega-Gutiérrez et al., 2015). As a result, the promotion of organizational agility is developed through the combination of items that imply knowledge structures from the perspective of Martlow and Cagara (2014). Although there are similarities between organizational agility and knowledge management (KM), these concepts are very diverse. While knowledge management involves the structures that organizations use to assemble, adapting, integrating, and utilizing knowledge is seen as leverage in appropriate and efficient ways (Liao et al., 2011; Nonaka & Takeuchi, 1995). Organizational agility refers to ongoing coordination and adaptation among businesses, stakeholders, and other environmental factors that help the company to respond effectively to ever-changing conditions (Van Oosterhout, 2006). Consequently, companies do not only need to search and explore ways to manage knowledge effectively, but also to ensure the sustainable development and maintenance of their organization's agility (Newey & Zahra, 2009; Shahrabi, 2012).

Although there are voluminous theoretical foundations for strengthening and improving knowledge structures and their direct relationship to business model innovation (Gold et al., 2001; Martelo & Cegarra, 2014; Mills & Smith, 2011), there are few studies of variables that This relationship is mediated. In particular, few studies have examined the mediating role of organizational agility in this regard. Therefore, this study examines this gap in the existing literature and theoretical foundations with the aim of identifying how structured knowledge processes affect innovation in the business model with the role of mediating organizational agility.

## **2. Theoretical Foundations**

### **2-1. The relationship between knowledge structures**

Knowledge acquisition involves the production of external knowledge available and available within other companies and organizations. There are many terms used to describe this process as a whole and even as a component as absorption capacities (Cepeda & Vera, 2007; Cohen & Levinthal, 1990; Wu, 2007) or knowledge transfer. Knowledge acquisition includes components that enable companies to build knowledge about events, happenings, and relationships in the organization's external environment through knowledge sharing with stakeholders (Martelo & Cegarra, 2014; Ortega-Gutiérrez et al., 2015).

Although the acquisition of external knowledge is considered a vital and necessary step, considering that all information known as knowledge produced in these external structures is not in itself considered good, useful and necessary knowledge (Cegarra et al., 2014). For example, the true and false beliefs produced by baseless beliefs, superstitions, and rumors are just a few examples of the tendencies and tendencies of organizational members in producing and accepting minor facts, and even outright lies. is. As a result, since knowledge acquisition occurs, the next step must be the transfer of knowledge in the form of related knowledge (Fosfuri & Tribó, 2008).

Following the views of Martelo & Cegarra (2014), this study suggests that while the ability to acquire external knowledge within the organization is known as knowledge practices, knowledge conversion will occur when companies acquire external knowledge into processes and Stereotypes of data transfer will, as a result, become part of the company's knowledge and experience. Knowledge conversion is not only an essential tool that facilitates and supports the creation of social knowledge, but also knowledge conversion is a tool through which companies can review, update and correct the beliefs created right or wrong through Knowledge acquisition structures, as well as in some cases their complete elimination (Gold et al., 2001).

Knowledge application refers to the process by which when a company acquires knowledge, it ensures that the company will use it properly (Gold et al., 2001). Many terms such as knowledge penetration (Ipe, 2001); The application of knowledge (Earl, 2001) and the exploitation of knowledge (Jantunen, 2005) describe the process of applying knowledge. This study demonstrates the principle that the application of knowledge refers to a process that requires the ability to transfer knowledge successfully from one field to another. One common way to apply knowledge is to adapt the processes and practices of the leader company to identify relevant knowledge and use that knowledge. Another aspect of applying knowledge refers to the collection and accumulation of routine and repetitive methods, problem-solving processes that the company uses to apply relevant knowledge in its decisions (Martelo & Cegarra, 2014). Therefore, the following hypotheses can be proposed:

**Hypothesis 1:** The process of acquiring knowledge has a significant effect on the process of knowledge conversion.

**Hypothesis 2:** The process of knowledge conversion has a significant effect on the process of knowledge application.

## **2-2. The relationship between knowledge application and business model innovation through organizational agility**

The importance of innovation in today's fast-paced and evolving world is not hidden from anyone. Today, all countries in the world in order to increase productivity and improve the economic situation seek to encourage and develop creativity and innovation as one of the main advantages for the survival of companies. Many companies have always sought to innovate in goods, services, markets and operations to achieve success (Foss & Saebi, 2018).

It was not easy to identify opportunities to reduce costs and make the best use of resources, and so on, all of which were beyond the ability to focus solely on these types of innovations. But extensive studies conducted in the field of business over the past ten years show the growing importance of business model innovation over other types of innovation, and have identified business model innovation as the key to success in competition. IBM's research from a large number of case studies and interviews with countless executives also reveals a positive relationship between business model innovation and company performance (Khan et al., 2019). Since the business model is a framework for determining the type of activity and how and when it is performed according to the resources and capabilities of the company so that it can be used to create value in the form of goods or services for the customer. It can cover all the failures mentioned. Research by Zot and Amit (2011) also found that business model innovation is less costly, more efficient, and a more appropriate approach in times of capital shortages, such as during recessions, than other types of innovation. IBM's international research conducted in 2006 and 2008 among the top executives of the world's top companies also showed that in various industries, managers of high-profit and high-performance companies are looking for how to innovate in their business models. To improve their ability to create and gain value (Khanagha et al., 2014). Research in the field of business model agrees that "business model innovation is the key to corporate performance." In 2006, research by the IBM research team reported an increase in awareness of the need for business model innovation. This study showed that high-performing companies were more successful in implementing their innovative business model than companies with poor performance. Based on this research and subsequent survey, many business model innovations are now recognized as a new strategic differentiator (Foss & Saebi, 2018).

Organizational agility as a managerial concept was first formed in a production context and especially flexible production systems and later spread to other areas of business and was introduced as one of the organizational characteristics. Although the theoretical foundations of knowledge management indicate that the application of knowledge directly affects organizational outcomes and outputs (Alavi & Leidner, 2001;

Bierly et al., 2009), knowledge skills and diversity are key characteristics of agile individuals. Integrating and disseminating this knowledge throughout the organization is a challenge that knowledge management seeks to meet. Previous research confirms the positive relationship between knowledge management and organizational agility. The application of knowledge can also be a major driver in retraining and therefore a key tool for new knowledge (Tallon & Pinsonneault, 2011). The application of knowledge can also be a source of new knowledge by reviewing past events in the change process that lead to the identification of reasons for deviation from organizational needs and expectations (Shahrabi, 2012). For example, the application of knowledge strongly provides features such as transparency, responsiveness, and shared language of understanding. As Tallon & Pinsonneault (2011) point out, companies that leverage their existing knowledge may have more opportunities to influence their internal business processes, which in turn responds appropriately

to the dynamics and Market volatility helps. Innovation is based on knowledge and technology, and the chances of creating innovation increase when people combine their ideas, ideas or knowledge. Previous studies have confirmed that knowledge is a prerequisite for innovation.

Citing previous research, this study points out that the processes involved in applying knowledge are essential to organizational agility because they are essential to meeting and responding to changes and market demand that are unpredictably uncertain. Organizational agility also has a positive relationship with business model innovation because such agility may strengthen the organization's ability to respond to environmental changes in a deliberate manner, as well as develop and offer high quality services and products (Alegre & Sard, 2015; Shahrabi, 2012). Researchers suggest that organizations that lack agility perform poorly in adapting existing and stereotyped processes to respond to changes in the environment that involve new knowledge signals, and that modifications and adaptations are based on this principle. This type has a direct impact on business model innovation. Therefore, the following hypotheses can be proposed:

**Hypothesis 3-** The process of applying knowledge has a significant effect on organizational agility.

**Hypothesis 4:** The process of applying knowledge has a significant effect on business model innovation.

**Hypothesis 5:** Organizational agility has a significant effect on business model innovation.

**Hypothesis 6-** The process of applying knowledge due to organizational agility has a significant effect on business model innovation.

#### 2-4. Conceptual model of research

Considering that the purpose of this study is to investigate the use of structured knowledge processes in order to improve innovation in the business model with the mediating role of organizational agility in small and medium businesses in Iran, therefore, the general framework of this study to explain The above issue will be systematic and principled. To test the hypotheses of this research, the conceptual model shown in Figure 1 has been used:

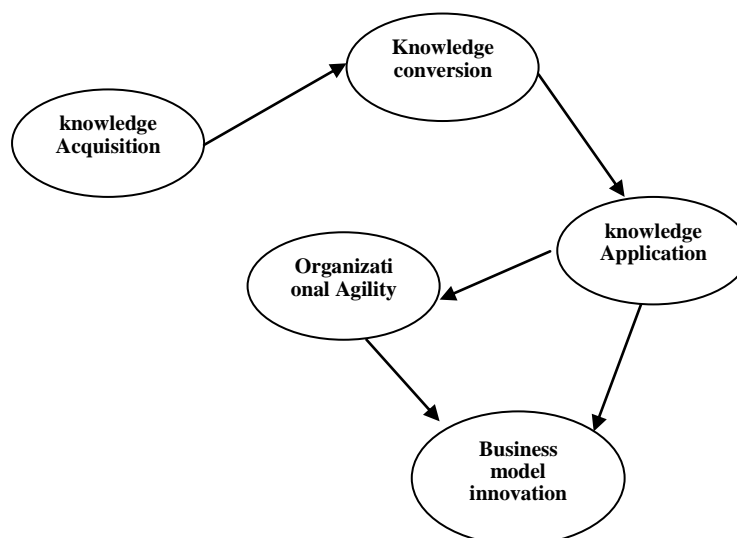


Figure 1: Conceptual model of research

### 3. Research Methodology

Methodologically, this research is a correlational research. The present study is a descriptive research based on how to obtain the required data and in terms of classifying research according to their purpose. This research is applied in terms of type and descriptive-correlational method.

#### 3-1. Data collection tools

In this research, in order to compile the basics, definitions and theoretical concepts, library resources including existing documents, books and scientific articles were used. Also, a questionnaire was used to collect the data needed to test the research hypotheses. A questionnaire designed and developed by Cegarra-Navarro et al. (2016) was used to measure the variables of structured knowledge processes and organizational agility. The

standard questionnaire of Miroshnychenko et al. (2020) was used to measure the innovation variable in the business model.

### 3-2. Statistical and sample population

The statistical population of the present study includes small and medium businesses in Iran. According to the definition of the World Trade Organization: Small and medium enterprises are defined as companies that employ between 10 and 250 people. Businesses with a maximum of 10 employees are usually called small companies and companies with more than 250 employees are called large companies. Also, based on a recent study that used the database of the Small Industries and Industrial Towns Organization of Iran to study small and medium-sized businesses, we also sought to use this database and found that the main source of information about business and Small and medium jobs are the Ministry of Industry, Mines and Trade. After correspondence and contact with the Ministry, we were able to receive information about Iranian businesses, which included 192872 businesses. Of this number, 125,365 businesses are considered small and medium by definition.

In the present study, a simple random sampling method was used to select the samples and the research questionnaire was randomly distributed among managers and experts of small and medium businesses in Iran. Among equal probability sampling methods, simple random sampling method is one of the simplest and oldest sampling methods that has many applications in practice. If a sample of size  $n$  from a community of size  $N$  is selected in such a way that each possible sample of  $n$  has the same chance of being selected, it is called simple random sampling. Simple random sampling can be done in two ways: sampling with placement and sampling without placement, but in practice, sampling with placement is not very useful.

Due to the fact that the size of the statistical population is limited and equal to 125365 people, Cochran's formula has been used to select the sample size. Cochran's formula is one of the most widely used methods for calculating statistical sample size. Therefore, the number of samples studied in this study is equal to 383 people.

### 3-3. Reliability and validity of research measurement tools

For content validity, the questionnaire of this research was judged by several experts and professors of business management working in universities, and after making some corrections and obtaining approval from those professors for higher assurance and acceptability of its formal validity, about 30 The questionnaire was distributed in the statistical community and at first it was not possible for the respondents to understand a number of questions. .

PLS software also has the ability to check internal consistency reliability, composite reliability, reagent reliability, convergent validity, divergent validity. Table 2 shows the values of Cronbach's alpha coefficient and composite reliability. As can be seen, the values of Cronbach's alpha coefficients for all components are greater than 0.7, which shows that the model has good internal consistency reliability. Also, all values related to the combined reliability coefficients (CR) for all first and second order variables of the research are greater than 0.7, thus confirming the model fit. In Factor Loading, as can be seen, the amount of factor loads for all indicators is higher than 0.7, so there was no need to remove any item from the questionnaire items in the model. The reliability and validity of the model are shown in Table 1:

Table 1: Cronbach's alpha coefficients and composite reliability, mean variance, factor loading

Variable	Indicators	Factor Loading	Variable	Indicators	Factor Loading
knowledge Acquisition	Q1	0.722	knowledge Application	Q14	0.881
	Q2	0.806		Q15	0.882
	Q3	0.893		Q16	0.827
	Q4	0.826		Q17	0.873
	Q5	0.705		Q18	0.814
	Q6	0.627		Q19	0.753
Alpha coefficient: 0.821	Q7	0.677	Alpha coefficient: 0.872	Q20	0.794
Composite reliability: 0.859			Composite reliability: 0.901	Q21	0.720
Mean variance: 0.737			Mean variance: 0.601		
Knowledge conversion	Q8	0.707	Business model innovation	Q28	0.616
	Q9	0.616		Q29	0.670
	Q10	0.882		Q30	0.646



	Q11	0.650		Q31	0.659
	Q12	0.665		Q32	0.674
Alpha coefficient: 0.749	Q13	0.674	Alpha coefficient: 0.864	Q33	0.686
Composite reliability: 0.843			Composite reliability: 0.885	Q34	0.770
Mean variance: 0.534			Mean variance: 0.592	Q35	0.781
<b>Organizational Agility</b>	Q22	0.675			
	Q23	0.774			
	Q24	0.660			
Alpha coefficient: 0.881	Q25	0.641			
Composite reliability: 0.789	Q26	0.689			
Mean variance: 0.600	Q27	0.719			

Also, in the convergent validity study, the mean of the extracted variance was studied, which was confirmed by the fact that the mean value of the extracted variance for all variables in this study was greater than 0.5.

In the study of divergent validity based on the method (Fornell and Larker, 1981), as shown in Table 2, in this step, first the root of the values of AVE (average variance) is calculated and then the values obtained on the diameter of the matrix (LATENT VARIABLE CORRELATION) replace. The root mean of the variance for the main variables of this study, which are located in the main diameter of the matrix, is greater than the value of the correlation between the variables, which are located in the cells below and to the left of the main diameter. Therefore, it can be stated that in the present study, the research variables in the model have more interaction with their indicators than with the indicators of other variables, in other words, the divergent validity of the model is confirmed.

Table 2: Latent Variable Correlations Matrix

	knowledge Acquisition	Knowledge conversion	knowledge Application	Organizational Agility	Business model innovation
knowledge Acquisition	<b>0.895</b>				
Knowledge conversion	0/471	<b>0.730</b>			
knowledge Application	0/269	0/316	<b>0.775</b>		
Organizational Agility	0/416	0/412	0/267	<b>0.775</b>	
Business model innovation	0/378	0/338	0/314	0/213	<b>0.770</b>

#### 4. Research Findings

Figure 2 shows the path coefficients of the effect of structured performance knowledge processes on innovation in the business model with the mediating role of organizational agility. As shown in the figure, according to the coefficient of determination of the model, it can be said that the variable of knowledge acquisition could be 0.462 of the variance of the variable of knowledge conversion, the variable of knowledge conversion could be 0.361 of the variance of the variable of knowledge application and the variable of application of knowledge / 0 Explain the variance of the organizational agility variable. Also, the variables of application of knowledge and organizational agility together could explain 0.596 of the variance of innovation variable in the business model; Researchers have introduced three values of 0.19, 0.33 and 0.67 as the criterion values for weak, medium and strong values of R2. Based on this, it can be concluded that the model has a high predictability's residual value is related to forecasting error and can include other factors affecting knowledge conversion, knowledge application, organizational agility and title in the business model.

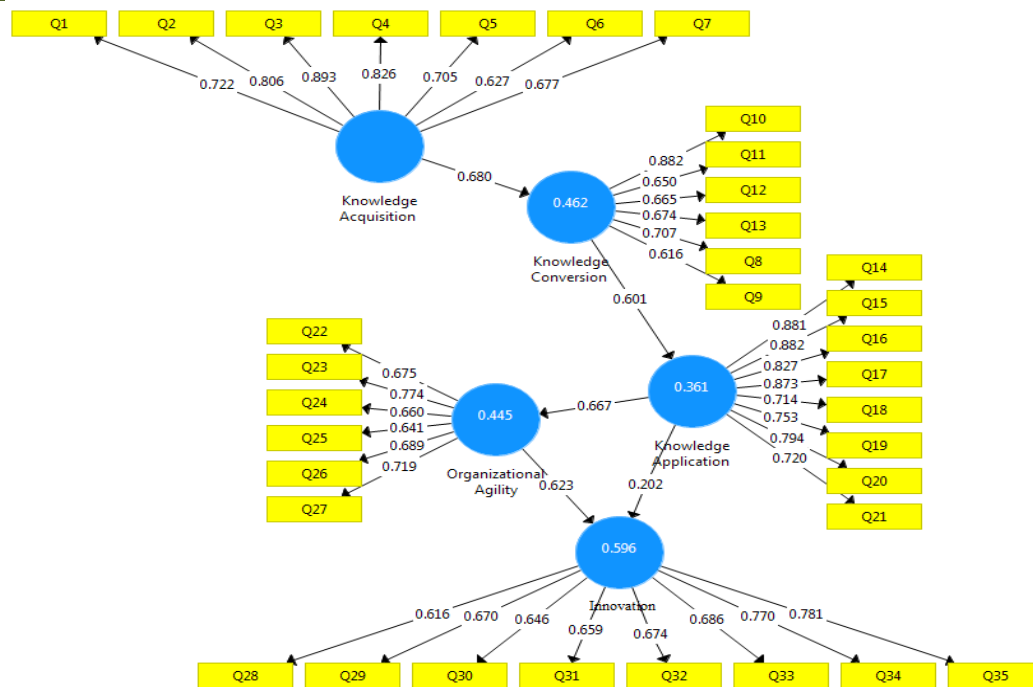


Figure 2: Research model in the mode of estimating standard coefficients

Figure 3 shows the research models in the significant state of coefficients (t-value). This model actually tests all measurement equations (factor loads) and structural equations (path coefficients) using the t-statistic. According to this model, the path coefficient and factor load at the 95% confidence level are significant if the value of t is outside the range (-1.96 to +1.96) and if the value of t is within this range, then the factor load Or the path coefficient is not significant. The path coefficient and factor load at the 99% confidence level are significant if the value of t-statistic is out of range (-5.58 to +5.58). According to the results obtained from t-test, all factor loads were significant at 99% confidence level and played a significant role in measuring their structures.

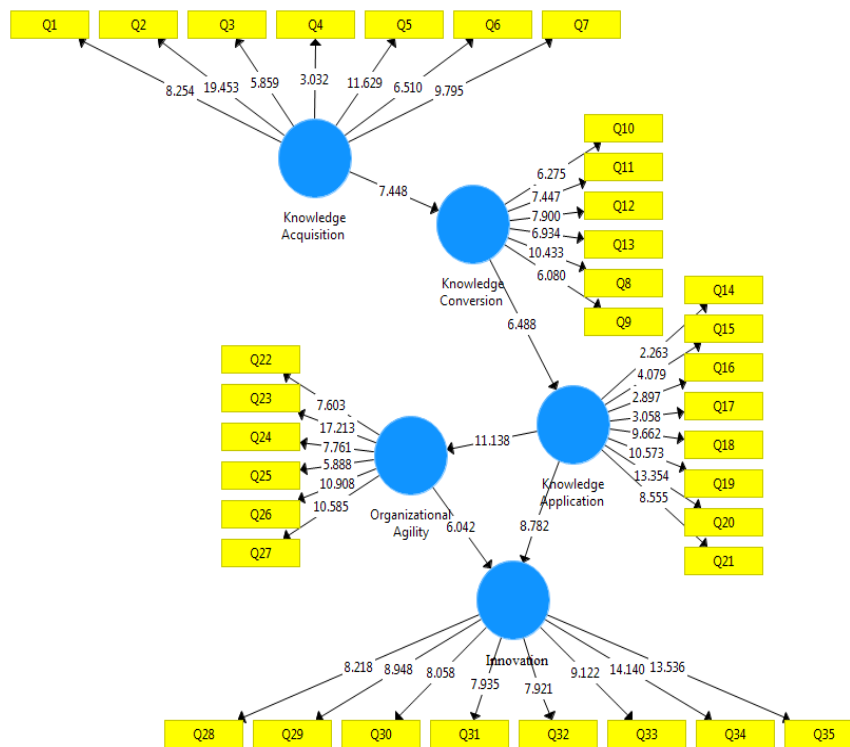


Figure 3: Model of significance coefficients of hypotheses in the research model

**4-1. Answer to research hypotheses**

**Hypothesis 1:** The process of acquiring knowledge has a significant effect on the process of knowledge conversion.

According to the results obtained from the path coefficient and t-statistic in Table 3 and also in Figure 2 and Figure 3, it is shown that the knowledge acquisition process has a significant effect on the knowledge conversion process. (Statistic t is out of the range of negative 1.96 to positive 1.96). According to the path coefficient, it can be said that the effect of the knowledge acquisition process on the knowledge conversion process is positive and significant, because the path coefficient obtained is positive. Therefore, with the increase of the knowledge acquisition process, the knowledge conversion process increases and with its decrease, the knowledge conversion process decreases.

**Table 3: Direct effects, t-statistic and the result of the first research hypothesis**

Research hypothesis	Standardized path coefficient $\beta$	statistics T	Meaningful	No rejection or Reject
knowledge Acquisition process → Knowledge conversion process	0/680	7/448	Sig<0.05	approved

**Hypothesis 2:** The process of knowledge conversion has a significant effect on the process of knowledge application.

According to the results obtained from the path coefficient and t-statistic in Table 4 and also in Figure 2 and Figure 3, it is shown that the process of knowledge conversion has a significant effect on the process of knowledge application (t-statistic outside the range of negative 1.96 to positive 96/1). According to the path coefficient, it can be said that the effect of the dimension of knowledge conversion process on the knowledge application process is positive and significant, because the path coefficient obtained is positive. Therefore, with the increase of knowledge conversion process, the process of knowledge application increases and with its decrease, the process of knowledge application decreases.

**Table 4: Direct effects, t-statistic and the result of the second research hypothesis**

Research hypothesis	Standardized path coefficient $\beta$	statistics T	Meaningful	No rejection or Reject
Knowledge conversion process → knowledge Application process	0/601	6/448	Sig<0.05	approved

**Hypothesis 3:** The process of applying knowledge has a significant effect on organizational agility

According to the results obtained from the path coefficient and t-statistic in Table 5 and also in Figure 2 and Figure 3, it is shown that the process of applying knowledge has a significant effect on organizational agility (t-statistic outside the range of negative 1.96 to positive 96 / 1 is located). According to the path coefficient, it can be said that the effect of the dimension of knowledge application process on organizational agility is positive and significant, because the path coefficient obtained is positive. Therefore, with the increase of knowledge application process, organizational agility increases and with its decrease, organizational agility decreases.

**Table 5: Direct effects, t-statistic and the result of the third research hypothesis**

Research hypothesis	Standardized path coefficient $\beta$	statistics T	Meaningful	No rejection or Reject
knowledge Application process → Organizational Agility	0/667	11/138	Sig<0.05	approved

**Hypothesis 4:** The process of applying knowledge has a significant effect on innovation in the business model.

According to the results obtained from the path coefficient and t-statistic in Table 6 and also in Figure 2 and Figure 3, it is shown that the process of applying knowledge has a significant effect on innovation in the business model (t-statistic out of negative range / 96. 1 is positive to 1.96). Considering the path coefficient, it can be said that the effect of the knowledge application process on innovation in the business model is positive and significant, because the path coefficient obtained is positive. Therefore, with the increase of knowledge application process, innovation in business model increases and with its decrease, innovation in business model decreases.



Table 6: Direct effects, t-statistic and the result of the fourth research hypothesis

Research hypothesis	Standardized path coefficient $\beta$	statistics T	Meaningful	No rejection or Reject
knowledge Application process → Business model innovation	0/202	8/782	Sig<0.05	approved

**Hypothesis 5:** Organizational agility has a significant effect on innovation in the business model.

According to the results obtained from the path coefficient and t-statistic in Table 7 and also in Figure 2 and Figure 3, it is shown that organizational agility has a significant effect on innovation in the business model (t-statistic outside the negative range of 1.96 is set to positive 1.96). Considering the path coefficient, it can be said that the effect of organizational agility dimension on innovation in the business model is positive and significant, because the path coefficient obtained is positive. Therefore, with the increase of organizational agility, innovation in the business model increases and with its decrease, innovation in the business model decreases.

Table 7: Direct effects, t-statistic and the result of the fifth research hypothesis

Research hypothesis	Standardized path coefficient $\beta$	statistics T	Meaningful	No rejection or Reject
Organizational Agility → Business model innovation	0/623	6/042	Sig<0.05	approved

**Hypothesis 6:** The process of applying knowledge due to organizational agility has a significant effect on innovation in the business model.

According to the results obtained from the path coefficient and t-statistic in Table 8 and also in Figure 2 and Figure 3, it is shown that the process of applying the knowledge has a significant effect on innovation in the business model due to the mediating role of organizational agility (The t-statistic is out of the range of negative 1.96 to positive 1.96). Considering the path coefficient, it can be said that the effect of the knowledge application process on innovation in the business model is indirectly positive and significant through organizational agility, because the path coefficient obtained is positive. Therefore, with the increase of knowledge application process, innovation in business model increases indirectly through organizational agility and with its decrease, innovation in business model decreases indirectly through organizational agility.

Table 8: Direct effects, t-statistic and the result of the sixth research hypothesis

Research hypothesis	Standardized path coefficient $\beta$	statistics T	Meaningful	No rejection or Reject
knowledge Application process → Business model innovation according to the mediating role of organizational agility	0/416	6/042 & 11/128	Sig<0.05	approved

## 5. Conclusions and suggestions

To adapt to the pace of change, businesses must adopt ideas or processes that lead to the development of new products or services in emerging markets, and in addition they must use existing capabilities to leverage existing products and services. Thus, innovation can be a sustainable and unimaginable competitive advantage for businesses. This means that the organization can have exploratory innovation in existing products and markets to maintain the current profitability of the organization and to ensure the long-term survival of the organization to have exploratory innovation in new products and markets and have a suitable performance in response to market changes. Doing this (focusing on current capabilities and new products and markets at the same time) is very complex and often contradictory. To overcome this contradiction, organizational knowledge and organizational agility can be used.

Extended the existing theoretical foundations of knowledge management and organizational agility in two special ways. First, the study examined the gap between theoretical foundations and then clarified the interactions between knowledge processes and intermediate outcomes or mediators, and innovation in the business model. Secondly, the appropriate fit of the theoretical model and the confirmation of the hypotheses can be considered as important results of this research. Because it may be considered by companies and organizations. On the other hand, it provides efficient knowledge processes to respond to changes in dynamics and environmental conditions, and organizations are forced to develop organizational agility, which in turn

promotes innovation in the business model.

Tallon & Pinsonneault (2011) endorsed Dal's previous idea of a direct effect of agility on performance that is higher in dynamic environments, according to a study of the Spanish stock market in solvent over a period of time. In general, the present study confirmed the mediating role of organizational agility in the relationship between the application of knowledge and innovation in the business model. The effectiveness of new organizational knowledge may lead to the agility of the company and the use of competitive advantages arising from the opportunities and neutralization of threats to which the environment around the company is directed. Practical managerial suggestions were made from the fact that the application of knowledge can be considered as the main driver of organizational agility as well as the process of change after the consequences. These results are important for applying knowledge in the production of products and services that can arise from stereotypes that lead managers to report and confront the changes that market leaders must pursue. One of the main ways to achieve this goal is to build operations in the market and adapt to the situation, both directly and indirectly. For example, shared responsiveness, common language, and understanding may help companies respond to unforeseen or expected changes in market opportunities.

The present study initially emphasizes the process of applying knowledge and organizational agility, which are two complementary processes. While the application of knowledge is a knowledge management process that implies success in transferring knowledge from one field to another (Gold et al., 2001; Liao et al., 2011), the application of knowledge gained from a new field may lead to Enabling organizations to be able to cope with external and internal changes that are even unpredictable and uncertain (Van Oosterhout et al., 2006). From another perspective, the application of knowledge provides a potential for the company to innovate in a superior business model (Cepeda & Vera, 2007; View, 2007). The second part of this study emphasizes on innovation in the business model that strongly depends on the organizational agility in the organization and on the previous implementation of continuous linear knowledge processes and a chain that in turn facilitates the acquisition, conversion and application of knowledge. Slow, effective. These results confirm the view of previous researchers that special attention was paid to the presence of safe environmental features that may encourage and facilitate the use of knowledge (Gold et al., 2001; Liao et al., 2011). According to this view, organizations should be able to grow in continuous and unpredictable environmental changes by focusing their efforts on issues that are of great importance to the organization, which in turn evaluates and measures basic knowledge efficiently. Facilitates. The third section emphasizes that although the development and enhancement of knowledge application occurs in turn after knowledge acquisition and conversion, knowledge application and organizational agility should probably occur simultaneously. On the other hand, organizational agility acts as a complementary facilitator capacity in the integration, assembly, and utilization of resources, including assets, knowledge, and relationships, relative to the mere application of knowledge.

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