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Abstract

Drawing on the emerging perspective of IT-enabled organizational capability, we suggest that operational agility and strategic flexibility in tandem with IT competency have a significant effect on firm performance in fast-cycle industries. We identify specific IT competencies and present a model that describes operational agility and strategic flexibility as mediating variables in the relationship between IT competence and firm performance, hence providing an insight into the operational and strategic roles of IT. The study promises to contribute to the information systems literature on IT and business value and provide guidance on developing capabilities that help maintain competitive advantage in fast cycle industries.

Keywords: IT competency, operational agility, strategic flexibility, firm performance, organizational capability