

IMPACT OF DYNAMIC STRATEGIC CAPABILITIES ON STRATEGIC ENTREPRENEURSHIP IN PRESENCE OF OUTSOURCING OF FIVE STARS HOTELS IN JORDAN

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Abstract. This research aims to investigate whether outsourcing mediates the impact of dynamic strategic capabilities on strategic entrepreneurship. The population of the research consists of top managers in five stars hotels. A sample of 215 respondents were selected for the research in which 186 questionnaires were valid for statistical analysis. Structural equation modelling (SEM) was used to test the hypotheses of the research. The results of the research indicate that outsourcing does not mediate the relationship between dynamic strategic capabilities and strategic entrepreneurship. All the dimensions of dynamic strategic capabilities have a statistical impact on strategic entrepreneurship, while the dynamic strategic capabilities dimension all affect outsourcing except the seizing capability. Based on the research results, managers and decision-makers have to focus on innovation functions by enhancing the role of knowledge management and R&D activities, as well as concentrate on employees training programs.

Keywords: dynamic strategic capability, strategic entrepreneurship, outsourcing, five stars hotels, Jordan.

JEL Classification: M10, M19.

Introduction

The world has faced in the last decade a lot of challenges that influenced the dynamisms used on the markets to deal with changes in customers' needs which became a trending to increase focusing on unique products and services (Sung & Park, 2018). These trends have shaped the cornerstone which drove the organisations to shift their management strategies in order to cope with rapidly challenges (Westover, 2014). Hence, new strategies, which the organisation seek to adopt, deem one of the solves to respond to the hyper-competition and achieving sustainable competitive advantage (Violinda & Jian, 2016; Zhonghua et al., 2019). Fundamentally, these strategies emphasising the necessity of providing novel products and services which correspond with customer adoption of new and modern lifestyles, although there are risks that customers may not accept such products and services (Guo, 2019; Xinwei et al., 2018). Further, organisations need to realise the time factor importance, where they should offer their

products and services before rivals which able them to achieve the lead in the market sector (Kreiser et al., 2013).

Dynamic capacities view is one of the essential current approaches that lead to the achievement of the organisation's goals in light of the dynamic changes in the business environment (Barros et al., 2016; Bitencourt et al., 2018; Zhonghua et al., 2019). This approach presents the methods and mechanisms to deal with changes associated with events in the business sector, through a sequence of managerial and organisational measures aimed at identifying opportunities, together with adjusting the resources of the organisation to acquire these opportunities (Fainshmidt et al., 2016; Teece et al., 2016).

Recently, the reliance on outsourcing has increased in the implementation of the organisation's processes, which has become a widespread phenomenon in most sectors (Yan et al., 2018). The emergence of specialised companies by providing professional products and services leads the managers of organisations to benefit from their expertise (Banerjee et al., 2019). Therefore, many organisations have

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adopted an outsourcing strategy to implement a part of their processes and to focus on core competencies that represent the core of the organisation's work (Damanpour et al., 2019). The degree of outsourcing depends on the nature of the organisation and the level of accepted risk compared with the volume of benefits that can be gained (Yan et al., 2018).

Accordingly, the significance of the study is to identify the relationship between dynamic strategic capabilities and strategic entrepreneurship. Beyond that, it will clarify the mediating role of outsourcing as one of the methods which can be used to support services within the internal framework of the organisations or desire to obtain unique services from external suppliers to support their services and achieving their objectives. Furthermore, the major objective of this research is represented by providing a theoretical framework about its variables and contribution to support the decision-makers on hotels to cope with the dynamic business environment through utilising modern managerial styles to enhance hotels' capabilities.

This research contains a section for identifying its variables which were dynamic strategic capabilities, outsourcing, and strategic entrepreneurship, as well as the proposed relationship among these variables. Moreover, presenting the research methodology that determines its population and statistical methods used in order to achieve its objective. A section related to illustrate the research results and hypotheses testing. Finally, sections which are presenting the discussion of the results and highlighted the research recommendations, as well as demonstrating the research limitation and suggestions for the futures studies.

1. Theoretical framework and hypothesis development

1.1. Dynamic strategic capabilities

Dynamic capabilities view has become the most vital topics in the strategic management field, where has been pointed it out at "the new theory that focused on the organisation performance as the base of touchstone" (Arend & Bromiley, 2009, p. 75). Since the idea first was published in the literature by Teece and Pisano (1994), the authors were providing a lot of definitions to indicate dynamic strategic capabilities. According to Chukwumeka and Onuoha (2018) dynamic strategic capabilities defined as the organisation's activities, procedures, and practices that enhance its competitiveness, thereby helping it to maintain a leading role in its industry. Moreover, it defined as the organisation's processes that adopt resources in accordance with changes in the environment (Maja et al., 2018). Collis (1994) identified four categories of organisational capabilities, where dynamic strategic capabilities, based on Collis categories, considered the higher category that referred to the ability of an organisation to cope its rivals by meta-capabilities, which related to the continuous learning capability.

Indeed, dynamic strategic capabilities measured by four dimensions which are sensing capability, seizing

capability, learning capability, and reconfiguration capability according to several authors (Chukwumeka & Onuoha, 2018; Maja et al., 2018; Xin et al., 2018; Zhou et al., 2017). Sensing capability is defined as "activities directed towards scanning the environment and identifying relevant changes and opportunities" (Wilhelm et al., 2015, p. 329), seizing capability defined as "organization's ability to capitalize on the opportunities sensed in the market through the development of new products, processes and services" (Cao, 2011, p. 457), learning capability which is defined as "the ability to create, acquire and share knowledge to respond to opportunities and threats from the operating environment" (Chukwumeka & Onuoha, 2018; Eisenhardt & Martin, 2000; Verona & Ravasi, 2003), and Reconfiguration capability refers to "the organization's ability to enhance, combine, protect and restructure its resources and competencies in order to retain evolutionary fitness" (Xin et al., 2018, p. 82).

1.2. Strategic entrepreneurship

Strategic entrepreneurship is a crucial indicator of the economic, technological and social evolution. Entrepreneurs are seen as one of the growth factors of countries due to bringing the latest development of industrial, organisational and technical from the global environment to their countries (Gaddam, 2008). The concept of Strategic entrepreneurship defined as the formula of an entrepreneurial nature on which the organisations depends on achieving its goals, which is a group of practices, processes, philosophy or administrative style (Chalab, 2014). While Criado-Gomis et al. (2017) indicated to it through the activities of creating value by bringing together a unique package of resources to exploit an opportunity. Furthermore, the general concept of strategic entrepreneurship has been cited in numerous contexts as the organisation orientation to wealth creation (Kör, 2016; Yuliansyah, 2018) by the ability to realise and utilise opportunities and considered it the critical base for fortune creation (Shane & Venkataraman, 2000). However, entrepreneurship orientation is considering as a strategic organisation behaviour which refers to the competitive tendency to enter new markets (Gürbüz & Aykol, 2009).

By reviewing the literature on strategic entrepreneurship, the research dealing with three dimensions to determine it based on (Criado-Gomis et al., 2017; Koe, 2016; Kör, 2016; Olannye & Eromafuru, 2016; Sung & Park, 2018; Yuliansyah, 2018). Innovativeness which refers to the ability of an organization to realize surrounding for developing and creating unique products and processes in order to beat their rivals and achieving customers' satisfaction (Haider et al., 2017; Kreiser et al., 2013; Lotz & Van der Merwe, 2013; Lumpkin et al., 2010). Risk-taking which is the crucial dimension of entrepreneurship orientation; it comprises risk admission in terms of strategic decisions related to investment, even if the consequences of these decisions are uncertain (Franco & Haase, 2013; Khalili et al., 2013). Proactiveness which is defined as

“Taking initiatives by anticipating and pursuing new opportunities and by participating in emerging markets.” That can help an organization to achieve a competitive advantage by adopting optimal strategies to be leading their business sector (Kör, 2016, p. 3).

1.3. Outsourcing

Concept of outsourcing is associated with providing multi alternatives to organisations for acquiring their needs of different materials, workforce, and services offering by expert organisations in a specific domain instead of implementing them internally (Gilley & Rasheed, 2000). Outsourcing referred to “the contracting with a third-party supplier for the management and completion of a certain amount of work, for a specified length of time, cost and level of service” (Oshri et al., 2015, p. 8). Also, it indicated as “the externalization to independent suppliers of internal activities that could be and/or have previously been carried out in-house” (Promsivapallop et al., 2015, p. 33), this what confirmed by Heizer et al. (2017) where defined outsourcing as transferring an organisation’s functions that be traditionally internal to implement through external providers.

Outsourcing has become a more modern manner of evolution and considered as one of the most crucial organisational and industry forms changes of the century (Brown & Wilson, 2005). Organisations are using outsourcing as a method to amelioration their competitive performance by focusing on cost reduction, to improve their effectiveness and to accomplish customers’ satisfaction (Lonsdale & Cox, 2000). Besides, outsourcing activities can help an organisation to become more agile by rapid responding to environmental changes (Willcocks et al., 2004). Indeed, most researchers consider outsourcing decision as one of the crucial strategic decision that management takes to effect on the long-term performance of an organization (Damanpour et al., 2019; Espino-Rodríguez & Ramírez-Fierro, 2018; Lok et al., 2018; Tamás, 2018).

1.4. Dynamic strategic capabilities and strategic entrepreneurship in presence of outsourcing

Dynamic strategic capabilities considered as a higher level of competences which enable the organisations to integrate, build, and reconfigure both internal and external resources to cope rapidly changing environments (Teece,

2014). Hence, the organisations seek through dynamic strategic capabilities to assess and identify resources and opportunities existing on their environments and trying to acquire them by restructuring their resources (Maja et al., 2018). Based on that, dynamic strategic capabilities increase the organisations’ ability to achieve sustainable competitive advantage by monitoring their market and providing creative products and services to customers (Čirjevskis, 2019; Xinwei et al., 2018), these creative products and services related with the organisation ability to accept the risk related with offering new ideas and the degree of customers’ accepting to their ideas (Jiao et al., 2010). Moreover, the organisations emphasise on coping their competitors by providing the products and services before the competitors which enable them to obtain greater market share (Olannye & Eromafuru, 2016). Besides, outsourcing shape one of the modern methods that allow organisations to acquire needed resources, as well as achieving to effective in their activities which reflected on their ability to focusing on their core competencies that deem the root of innovation processes in the organisation as a whole (Rodríguez & Fierro, 2018). Accordingly, the main assumption of this research that aimed to investigate the shared impact between its variables, where it referred to:

H1: There is a statistically significant impact of dynamic strategic capabilities on strategic entrepreneurship in the presence of outsourcing.

2. Research conceptual model

The conceptual model of research is a structure that visualises how research variables are linked to each other via assumptions induced in line with the problem statement of the research, its questions and objectives (Grant & Osanloo, 2014). Figure 1 illustrates the conceptual model of this research. It encases four main constructs, the first one was assumed that dynamic strategic capabilities have significantly effect on strategic entrepreneurship that referred to the first hypothesis (H1). The second construct recognised that dynamic strategic capabilities have an effect on outsourcing, this relationship was indicated through the second hypothesis (H2). While the third hypothesis (H3) considered that outsourcing has an effect on strategic entrepreneurship. Hence, the fourth hypothesis (H4) that brings all variables in an assumed relationship referred that dynamic strategic capabilities have an effect on strategic entrepreneurship in the presence of outsourcing as a mediating variable.

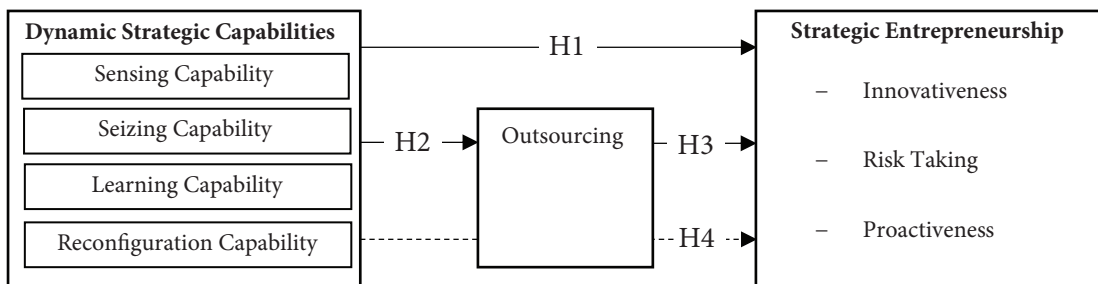


Figure 1. Conceptual model

3. Methodology

3.1. Population and sample

Managers in top management level in five-star hotels in Jordan constitute the population of this research. A sample, as a fraction of the population, was selecting a probabilistic sampling method, which is simple random sampling (Al-Hawary et al., 2018; Martínez-Mesa et al., 2016). It consisted of 215 managers incorporated as participants in this research. Top management managers were selected because a representative sample of the population should embrace people who have relevant information on the topic under research. The returned questionnaires were (197), while the accepted questionnaires for statistical analysis were (186) which shape (86.5%) of distributed questionnaires. Frequencies and percentages were used to describe the profile of the sample. Table 1 indicates the sample profile results.

Table 1. Sample Profile Results (N = 186)

| Variables | Categories | Frequency | Percentage |
|------------|-----------------------------|-----------|------------|
| Gender | Male | 144 | 77.4% |
| | Female | 42 | 22.6% |
| Age Group | 20–less than 30 years | 20 | 10.8% |
| | 30–less than 40 years | 59 | 31.7% |
| | 40–less than 50 years | 82 | 44.1% |
| | More than 50 years | 25 | 13.4% |
| Position | Board of Director President | 9 | 4.8% |
| | Board of Director Member | 48 | 25.8% |
| | Executive Manager | 24 | 12.9% |
| | Branch Manager | 26 | 14.0% |
| | Functional Manager | 79 | 42.5% |
| Experience | Less than 10 | 12 | 6.5% |
| | From 10 To less than 15 | 65 | 34.9% |
| | From 15 To less than 20 | 88 | 47.3% |
| | 20 and more | 21 | 11.3% |

3.2. Research instrument

The current research uses a questionnaire developed based on an intensive literature review of related works and translate into the Arabic language to enable the research sample understanding the questions. The questionnaire was anchored using five-point Likert scale ranging from (1) to (5), where (1) refers to “strongly disagree” and (5) refers to “strongly agree”. Table 2 presenting the dimensions of variables and what paragraphs used to measure each dimension and the studies that were used to develop the instrument.

Table 2. Instrument components and related studies

| Variables | Dimensions | No. Items | Studies |
|--------------------------------|--|-----------|--|
| Dynamic Strategic Capabilities | Sensing Capability | 4 | (Bitencourt et al., 2018; Chukwuemeka & Onuoha, 2018; Xin et al., 2018; Zhou et al., 2017) |
| | Seizing Capability | 4 | |
| | Learning Capability | 5 | |
| | Reconfiguration Capability | 4 | |
| Strategic Entrepreneurship | Innovativeness | 5 | (De Oliveira et al., 2016; Olannye & Eromafuru, 2016; Yuliansyah, 2018) |
| | Risk Taking | 5 | |
| | Proactiveness | 4 | |
| Outsourcing | Measured through items as a whole variable | 7 | (Eltantawy et al., 2014; Hanafizadeh & Ravasan, 2017; Tamás, 2018; Yan et al., 2018) |

3.3. Exploratory Factor Analysis (EFA)

Exploratory factor analysis (EFA), as a technique deployed to examine how indicators of a specific construct are loaded on that construct (Brown, 2015). In fact, this technique is useful to achieve numerous aims such as reducing the number of constructs used in the research model, assessing the dimensionality of constructs, developing theoretical constructs, investigating multicollinearity along with examining relationships between variables (Williams et al., 2010).

It has suggested five steps to conduct EFA, which at the same time represent assumptions of EFA. These steps include identifying data suitability for factor analysis, specifying factors extraction method, defining factor extraction criteria, designating the rotational method and interpreting the results. Table 3 exhibits the results of EFA, in which lambda (λ), lambda squared (λ^2), epsilon (ϵ), the average variance extracted (AVE), McDonald’s omega coefficient (ω), and Cronbach alpha coefficient (Masal et al., 2019) are uncovered.

The results in Table 3 indicate that KMO statistic is close to 1 and Kaiser-Meyer-Olkin (KMO) measure is significant, which means that our data are adequate for factor analysis. Using varimax rotation, the results confirm that sensing capability was associated with 4 indicators ($\lambda = 0.58$ to 0.79), seizing capability with 4 indicators ($\lambda = 0.63$ to 0.78), learning capability with 5 indicators ($\lambda = 0.71$ to 0.79), reconfiguration capability with 4 indicators ($\lambda = 0.77$ to 0.86). These indicators were acceptable ($\lambda > 0.5$). Moreover, the results indicate that the KMO statistic is close to 1 and Kaiser-Meyer-Olkin (KMO) measure is significant, which means that our data are adequate for factor analysis. In addition, the results were confirmed that all items loading (λ) were came between (0.576 – 0.988) which mean that it was greater than 0.05 (Saleh et al., 2019).

Furthermore, validity was measured construct validity, which can be assessed by convergent validity discriminant validity (Pallant, 2016). The results in Table 3 indicate that all AVE values were greater than 0.5, meaning that the convergent validity was assured (Rahman et al., 2016). Moreover, reliability, on the other hand, was confirmed using

Table 3. Exploratory factor analysis results

| Variables | Items | Λ | λ^2 | E | AVE | Ω | α |
|-----------------------------|-------|-----------|-------------|-------|-------|----------|----------|
| Sensing capability | SE1 | 0.788 | 0.621 | 0.379 | 0.536 | 0.820 | 0.818 |
| | SE2 | 0.794 | 0.630 | 0.370 | | | |
| | SE3 | 0.748 | 0.560 | 0.440 | | | |
| | SE4 | 0.576 | 0.332 | 0.668 | | | |
| Seizing capability | SI1 | 0.654 | 0.428 | 0.572 | 0.505 | 0.802 | 0.798 |
| | SI2 | 0.763 | 0.582 | 0.418 | | | |
| | SI3 | 0.780 | 0.608 | 0.392 | | | |
| | SI4 | 0.634 | 0.402 | 0.598 | | | |
| Learning capability | LE1 | 0.712 | 0.507 | 0.493 | 0.562 | 0.865 | 0.862 |
| | LE2 | 0.761 | 0.579 | 0.421 | | | |
| | LE3 | 0.794 | 0.630 | 0.370 | | | |
| | LE4 | 0.742 | 0.551 | 0.449 | | | |
| | LE5 | 0.736 | 0.542 | 0.458 | | | |
| Recon-figuration capability | RE1 | 0.767 | 0.588 | 0.412 | 0.659 | 0.885 | 0.854 |
| | RE2 | 0.859 | 0.738 | 0.262 | | | |
| | RE3 | 0.842 | 0.709 | 0.291 | | | |
| | RE4 | 0.775 | 0.601 | 0.399 | | | |
| Risk taking | RI1 | 0.825 | 0.681 | 0.319 | 0.683 | 0.915 | 0.897 |
| | RI2 | 0.837 | 0.701 | 0.299 | | | |
| | RI3 | 0.829 | 0.687 | 0.313 | | | |
| | RI4 | 0.850 | 0.723 | 0.278 | | | |
| | RI5 | 0.790 | 0.624 | 0.376 | | | |
| Inno-vativeness | IN1 | 0.900 | 0.810 | 0.190 | 0.755 | 0.939 | 0.914 |
| | IN2 | 0.841 | 0.707 | 0.293 | | | |
| | IN3 | 0.880 | 0.774 | 0.226 | | | |
| | IN4 | 0.889 | 0.790 | 0.210 | | | |
| | IN5 | 0.833 | 0.694 | 0.306 | | | |
| Pro-activeness | PR1 | 0.915 | 0.837 | 0.163 | 0.741 | 0.918 | 0.887 |
| | PR2 | 0.907 | 0.823 | 0.177 | | | |
| | PR3 | 0.671 | 0.450 | 0.550 | | | |
| | PR4 | 0.924 | 0.854 | 0.146 | | | |
| Out-sourcing | OS1 | 0.951 | 0.904 | 0.096 | 0.924 | 0.988 | 0.961 |
| | OS2 | 0.988 | 0.976 | 0.024 | | | |
| | OS3 | 0.964 | 0.929 | 0.071 | | | |
| | OS4 | 0.970 | 0.941 | 0.059 | | | |
| | OS5 | 0.965 | 0.931 | 0.069 | | | |
| | OS6 | 0.936 | 0.876 | 0.124 | | | |
| | OS7 | 0.954 | 0.910 | 0.090 | | | |

Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy = 0.843
 Bartlett's Test of Sphericity - Approx. Chi-Square = 6506.808, df = 703, Sig. = 0.000

McDonald's omega coefficient (ω) since all omega values met the threshold criterion was met since $\omega < 0.70$ (Meneses et al., 2019; Saldivia et al., 2019). As well as Cronbach alpha coefficient (α) was referred to values greater than 0.70 (Al-Hawary & Al-Namlan, 2018; Carden et al., 2018).

3.4. Confirmatory Factor Analysis (CFA)

Confirmatory factor analysis (CFA) was conducted in order to confirm the results of EFA as well as to examine the measurement model goodness-of-fit. As can be seen in Figure 2, no items were deleted confirming what was depicted in EFA. In terms of model fit indices, the results in Table 4 represents model fit summary, in which four indices were used; Chi-square ratio (χ^2/df), Goodness of Fit Index (GFI), Adjusted for Degrees of Freedom (AGFI), Root Mean Square Error of Approximation (RMSEA), Comparative Fit Index (CFI) (Al-Lozi et al., 2018; Stacciarini & Pace, 2017).

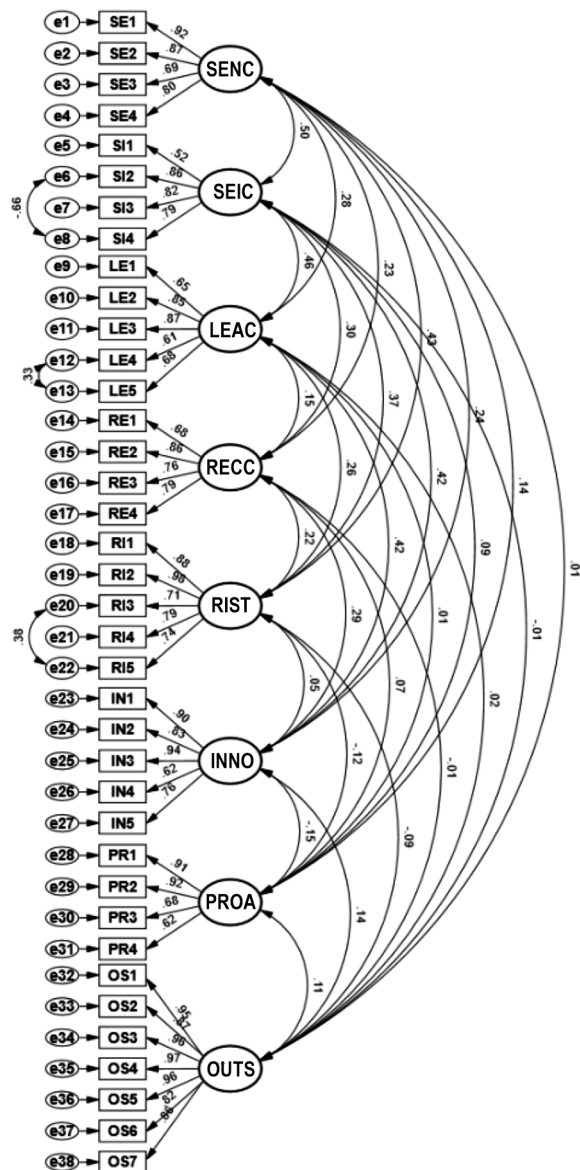


Figure 2. Confirmatory factor analysis result

Table 4. Default model fit summary

| Index | Value | Criterion | Result |
|---|---------|-----------|----------|
| Chi-square | 805.579 | – | – |
| Degree of freedom | 634 | – | – |
| Significance level | 0.06 | < 0.05 | Accepted |
| Chi-square ratio | 1.271 | < 2.00 | Accepted |
| Goodness of Fit Index | 0.923 | > 0.85 | Accepted |
| Adjusted for Degrees of Freedom | 0.896 | > 0.80 | Accepted |
| Comparative Fit Index | 0.973 | > 0.90 | Accepted |
| Root Mean Square Error of Approximation | 0.038 | < 0.08 | Accepted |

Based on the results in Table 4. It was concluded that the measurement model used in the current research fits the data well, so as it can be used to structure the final model of the research, which in our case the path model, to test our hypotheses.

4. Data analysis and results

Variance Inflation Factor (VIF) and Tolerance were used to investigate multicollinearity among the independent variables, the results are shown in Table 5. The results indicated that independent variables are free of multicollinearity problem since all VIF values are less than 10 and tolerance values are greater than 0.1 (Lindner et al., 2019).

Table 5. Multicollinearity results

| Variables | VIF | Tolerance |
|----------------------------|-------|-----------|
| Sensing Capability | 1.261 | 0.793 |
| Seizing Capability | 1.424 | 0.702 |
| Learning Capability | 1.169 | 0.855 |
| Reconfiguration capability | 1.081 | 0.925 |

Besides, the path model which the observed factors were used, was constructed to test the research hypotheses. As shown in Figure 3, the main hypotheses of this research considered that dynamic strategic capability as an independent variable has an effect both strategic entrepreneurship and outsourcing, outsourcing affects strategic entrepreneurship, as well as outsourcing mediates the

effect of dynamic strategic capability on strategic entrepreneurship. The results in the figure indicate that dynamic strategic capabilities affect strategic entrepreneurship and outsourcing, and outsourcing dose does not affect strategic entrepreneurship. Detailed results on both direct and indirect effects can be seen in Table 6.

The results in Table 6 demonstrate that dynamic strategic capabilities have significantly affect outsourcing ($\beta = 0.314, P < 0.05$) and strategic entrepreneurship ($\beta = 0.581, P < 0.05$), outsourcing has no significant effect on strategic entrepreneurship ($\beta = 0.052, P > 0.05$). Therefore, the results indicate that outsourcing does not mediate the effect of dynamic strategic capability on strategic entrepreneurship since the indirect effect of dynamic strategic capability on strategic entrepreneurship through outsourcing has not statistically significant ($\beta = 0.052, P < 0.05$). These results, in fact, support hypotheses 1 and 2 but do not support hypotheses 3 and 4. In a word, dynamic strategic capability exerts a significant direct effect on strategic entrepreneurship and no effect on strategic entrepreneurship indirect, which means that outsourcing plays no mediating role in this regard.

Table 6. Path analysis result

| Default Paths | | | Total Effect | | Direct Effect | | Indirect Effect | |
|---------------|---|----|--------------|-------|---------------|-------|-----------------|-------|
| | | | β^* | P** | β^* | P** | β^* | P** |
| DSC | → | OS | 0.314 | 0.004 | 0.314 | 0.004 | – | – |
| DSC | → | SE | 0.581 | 0.004 | 0.564 | 0.004 | 0.016 | 0.523 |
| OS | → | SE | 0.052 | 0.523 | 0.052 | 0.523 | – | – |

DSC: Dynamic Strategic Capability.
SE: Strategic Entrepreneurship. OS: Outsourcing
* standardised effects. ** significant at (α) = 0.05

Conclusions and discussion

The current research strived to investigate the impact of dynamic strategic capabilities on strategic entrepreneurship in the presence of outsourcing as a mediator variable. Through the statistical results that the research reached, it discerned that dynamic strategic capabilities have a statistical impact on both strategic entrepreneurship and outsourcing, while outsourcing has no statistical impact

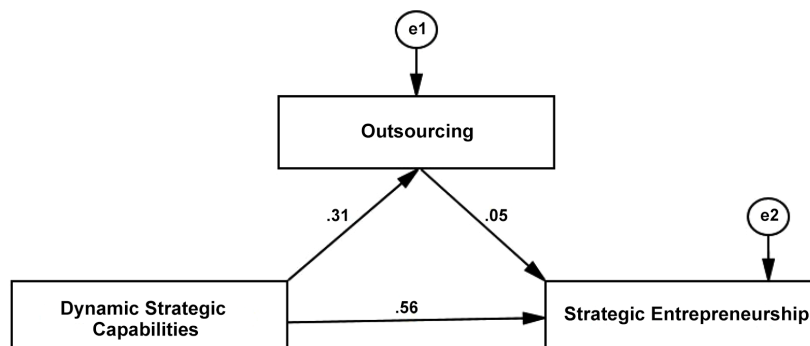


Figure 3. Path analysis result

on strategic entrepreneurship. Thus, outsourcing does not mediate the relationship between dynamic strategic capabilities and strategic entrepreneurship, and dynamic strategic capabilities act a critical role that helps an organisation to achieve strategic entrepreneurship that consistent with (Açıkdilli & Ayhan, 2013; Jantunen et al., 2005; Swoboda & Olejnik, 2014; Teece, 2014).

Statistical results are also shown that the organisations which focusing on offering novel and creative product and services need to continuously monitor the markets and customers' needs changes which deem as potential opportunities in the business environment. Also, Organisations seek to invest in these opportunities by allocating the required resources and adopting optimal strategies to manage appropriate opportunities for their capacities, that agree with (Xinwei et al., 2018). Furthermore, increasing the organisations' concern to know the range of risks that accompaniment of introducing creative products and services such as changing customers' demand or not accepting the new products. Therefore, organisations face these risks by determining multi alternatives and controlling the abilities to restructuring their resources according to the best alternative (Teece et al., 2016).

Besides that, the products or services considering as creative or new based on the time that offering in, where they characterised as audacious and providing before an organisation's competitors. This proactive requires an organisation ability to discover the latest developments in the business environment and the latest findings of the competitors in order to provide better products by innovating new products or developing their existing products, which compatible with (Barros et al., 2016; Wilden et al., 2016).

Managerial implications

This research aimed to investigate the impact between dynamic strategic capabilities and strategic entrepreneurship in the presence of outsourcing of five stars hotels in Jordan. The results indicated that dynamic strategic capabilities impact on strategic entrepreneurship, but outsourcing have no mediate impact in this relationship. In the light of these results, the research provides some recommendations to managers and decision-makers which represented by emphasising the adoption of dynamic strategic capabilities activities through identifying opportunities and resources in their environments and seeking to acquire. Furthermore, restructuring their resources to be more flexible for facing environmental factors that can affect their business and lead their business sector. Accordingly, organisations need to enhance the role of innovation among their departments by designing training programmes which fit employees' needs. Moreover, focusing on R&D activities to help them in determining the last development in all aspects and improving their products and services, besides integrating the role of new technologies to increase the effectiveness of their operations.

Limitation and direction for future research

This research provided some contribution related to studied variables, although it has many limitations. Firstly, this research conducted with top managers in five stars hotels which deem one of the services sectors, therefore future researches could conduct with other industries, e.g. industrial sectors or financial sectors. The sample of this research consisted of people who have the same culture due to it implemented in Jordan, thus future researches could perform in other countries to explore the relationship among variables if culture changing. Moreover, this research linked dynamic strategic capabilities and strategic entrepreneurship through outsourcing; hence the future researches could connect dynamic strategic capabilities with different variables, e.g. strategic human resource management, organisational performance, and ambidexterity.

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