

## Impact of Digital Transformation in Enhancing Strategic Sovereignty of Business Organizations

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### ABSTRACT

The study aimed to identify the role of digital transformation in its four dimensions of (Organizational Strategy, Organizational Culture, Transformational Leadership and Human Resources) in enhancing strategic sovereignty in its three dimensions of (Sphere of Influence, Competitive Formation or Structure, and Competitive Pressure). These dimensions were relied upon. Based on ready-made standards, a sample of workers at the Kerbala Food Products Manufacturing Company was chosen as a field for research. In order to achieve the goal of the study, a questionnaire was designed and distributed to a sample of (100) respondents in the company, and it was subjected to the necessary statistical analyzes that serve scientific research and the relevant company. One of the most important conclusions reached by the study was that digital transformation has an effective and moral impact in achieving the strategic sovereignty of the company in the field of study. The study concluded with a number of recommendations, the most prominent of which was the necessity of activating the dimensions of digital transformation in the actual reality of the company, allowing it to strengthen its strategic sovereignty through the products it provides that meet the demands of the local community and move regionally and internationally in light of Iraq's open environment to various markets.

**Keywords:** Digital Transformation, Strategic Sovereignty, Kerbala Foodstuff Industry Company

### INTRODUCTION

In light of the growing challenges that organizations face today, from the intensification of competition and the openness of global markets, in addition to environmental challenges, rapid technological developments, and others, modern organizations have begun to search for ways to confront these challenges, by employing and investing in one of the most important of these challenges and making it. It employs and invests in achieving the interests and goals of the organization by maintaining its sovereignty over its markets, which is the revolution of digital transformations. Kerbala Foodstuff Industry Company was chosen, as it is one of the companies that has sought from its first

inception to adopt and invest in everything new in the field of digital technologies, which It has enabled it to obtain a distinguished position in all markets due to the high quality of its various products, which enables it to maintain its strategic position in the markets.

## LITERATURE REVIEW

### Digital Transformation

#### 1) *Concept of Digital Transformation (DT)*

The concept of digitization, as mentioned in the DOLS dictionary, refers to the process of converting data into a digital appearance for the purpose of processing it by an electronic computer, and in the context of information systems. It also refers to changing printed texts or images into binary digital signals (Binary). Signals using a specific type of scanning system (Dalia, 2014), and digital transformation represents a radical and major change in the overall operations of the organization, and it differs from gradual cumulative change, which contributes to achieving competitive sustainability, through work To provide better and faster products because it depends on adopting digital in product innovation processes (Al-Bar, 2019), and digital transformation is one of the most prominent concepts of digital development as it focuses on research and development processes, processing and communicating all vital and useful information to the various actors in the digital process (Clareson, 2006). Digital transformation is also seen as the process of organizations moving to a business model that relies on digital technologies to innovate products and provide new channels of revenue and opportunities that increase the value of their products (Eid, 2021). It also refers to the use of technologies Digital in order to create value and change the style and model of work. It works to bring about a fundamental and fundamental change in the business within the organization, including focusing on developing innovation strategies (Berghaus, 2018, p. 12). It is considered a process supported by digital technologies that bring about changes in organizations and has a tremendous impact on Organizational assessment through the Internet of Things, big data analysis, cloud computing, mobile technologies, and artificial intelligence (Feroz et al., 2021). There are those who see it as the use of new digital technologies to achieve major business improvements, improve customer experience, simplify procedures, and create new business models (AL Abdullah et al., 2023; Ansari et al., 2022a, 2022b).

#### 2) *The Importance of Digital Transformation*

In light of the intensification of competition and the rapid pace of technological developments, and what afflicts the global economy today as a result of the global financial crisis, which has raised inflation levels in many countries, which has forced business organizations to search for marketing opportunities in the markets of developing world countries that were not greatly affected by the financial crisis. Global, and here the importance of digital transformation for organizations emerges, as it works to achieve the following overall benefits: (Fitzgerald et al., 2013; Singh & Hess, 2017).

- a) Digital transformation helps organizations expand and spread on a large scale and reach a larger segment of customers.
- b) Creating opportunities to provide creative and innovative products with high quality levels away from traditional methods.
- c) Digital transformation significantly saves organizations cost, time, and effort, which contributes to preserving the organization's resources.
- d) It contributes significantly to improving operational efficiency and organizing it.

Digital transformation has several goals, which are: (Al-Sawat & Al-Harbi, 2022) and (Hmaid & Al-Jarjari, 2020).

- a) Eliminating bureaucracy, as the shift from paper to electronic transactions will contribute greatly to the speed and accuracy of completing various types of transactions, which saves time, effort and costs. Here the need arises for there to be an organization of training courses to enhance the electronic knowledge of working individuals.
- b) Working to spread and enhance technological culture, as technology experts believe that there are important factors for the transition to a digital society, which are the necessity of having a mechanism for the freedom of information exchange, spreading a culture of information security, and working to raise the efficiency of infrastructure.
- c) Combating the phenomenon of administrative corruption, by publishing all data and information that characterize government performance on the Internet, providing it to citizens and giving them the right to question the decisions taken by government officials.
- d) Achieving government transparency, by providing information on all government activities, especially with regard to government spending and government purchases, and publishing government laws and regulations and making them available on the Internet to all citizens.

### 3) *Dimensions of Digital Transformation*

In this study, we relied on the studies of Mohamed (2019), Hess and Benlion (2015), and Shadid (2021) to define the dimensions of digital transformation, and were represented by the following dimensions:

- a) **Organization's Strategy:** It is represented by the activities and plans that the organization approves in the long term, ensuring that the organization's goals are consistent with its mission, and that the organization's mission is consistent with its environment. It reflects the set of decisions taken that are concerned with coordinating the relationship between the organization and its environment. Therefore, the organization's strategy is the comprehensive plan that defines the objectives (HASAN, 2022). And the guiding principles of the organization, as well as specifying the method that the organization will follow to achieve these goals. It also includes determining growth trends, target markets, types of products offered, the method of confronting the state of competition in the markets and studying the organization's environment to identify opportunities and challenges and prepare for them in advance (Al-Maghrabi, 2020).
- b) **Organizational Culture:** It is a set of rules and values that influence the behavior of individuals working within a common work environment and to achieve common goals. This culture distinguishes organizations from each other, and business organizations today seek to possess a creative organizational culture that is characterized by providing a suitable work environment to unleash capabilities. Investing in the creative skills of the individuals working there enables them to make decisions and face challenges (Abdul Hamid, 2022).
- c) **Transformational Leadership:** It is a leadership style that aims to inspire, motivate and empower others in order to achieve their highest potential. This style is characterized by the strong and positive relationship between the leader and his followers, as the leader works actively to bring out the best of his team members' exceptional and innovative abilities, skills and ideas. This This type of leadership focuses on building a shared vision, providing support and guidance, and enabling others to bear challenges and responsibilities, and it seeks to bring about meaningful change and improvement in the organization (Al-Ghamdi, 2021).

- d) Human Resources: Human resources are a very important vital element and it is difficult for organizations to carry out digital transformation without them, as it is necessary to find competent and qualified cadres who have the ability to use and analyze data for the purpose of relying on it to issue effective decisions, and this requires the ability to attract distinguished scientific and practical skills and expertise. With full belief in continuous improvement and development (Kwarna & Al-Ulama, 2016), organizations therefore sought to focus on building and developing the intellectual capabilities and skills of their human element in order to ensure their growth and development by creating an important element, which is knowledge makers (Yakhalf & Morling, 1999).

### **Strategic Sovereignty**

#### *1) Concept of Strategic Sovereignty (SS)*

This concept was born from the political and military literature. Just as is the case in countries that seek to achieve the elements of full sovereignty over their territories, the same applies to business organizations that seek to have complete sovereignty over their markets. It is not a modern term, as it represents the basis of human conflict since ancient times, and the best description of sovereignty in this context is “hegemony,” as it expresses the ability to change the rules of the game and control the decision-making process (Al-Zubi, 2017). Richard Daveni was the first to use the term strategic sovereignty in the field of business, and he believes that success in the field of business requires possessing special types of powers that not only reflect the highlighting of one’s space, but also influence in positions and maneuvering (Al-Sultan & Al-Bashqali, 2021). Strategic dominance is a concept that refers to a state of competitive excellence, as the organization dominates the market or industry by achieving continuous superiority over its competitors in key strategic areas. It indicates maintaining a superior position and influencing the direction and dynamism of the industry by controlling the rules of changing the game or changing the rules. The game itself (Alshaar). It also expresses the work to create new advantages that replace old ones on an ongoing basis to push competitors towards competition and move them, and work to provide value to the beneficiaries of the organization’s products in a way that is consistent with its ambitions and resources, unlike other competitors (Khatib & Alshawabkeh, 2022) and (Al-Sharifi, 2017) believes that it expresses the competitive space imposed by the organization with the aim of containing competitors and interacting with them proactively in order to maintain the balance of power in favor of the organization in the industrial environment, while working to continue discovering new strategic realities to dominate the minds and hearts of customers within the private competitive sector (Hasan, 2017).

#### *2) The Importance of Strategic Sovereignty*

The importance of strategic sovereignty is highlighted by conducting environmental analysis of the competitive market, which is one of the most important policies for developing and formulating a successful strategy, with the aim of investing in fruitful opportunities and dimensions of the risk of threats to which the organization may be exposed (Giannakopoulos et al., 2017). Both (Abu Rden & Al-Saji, 2021) believe that the importance of strategic sovereignty stems from business organizations’ awareness that building advanced and renewed competitive centers and market leadership have now become among the vital and important matters that organizations strive to possess. Therefore, strategic sovereignty is a necessary tactical goal for the purpose of protecting the strategic position of organizations, and through the following: (Sherif, 2017)

- a) Working to unify the organization’s resources in an efficient manner.
- b) Adopting a successful marketing strategy for its products that is consistent with its changing environment.

c) Taking into account prediction and surprise when entering new markets.

3) *Dimensions of Strategic Sovereignty*

With regard to determining the dimensions of strategic sovereignty, this study relied on identifying three dimensions, based on the following studies: (Al-Sharif, 2017; Al-zubi, 2017; Al-Saji, 2021).

a) Influence refers to the extent of the organization's potential and ability to influence the decisions of other parties to refrain from a certain action or action, and it represents the heart and essence of strategic sovereignty and is therefore a reflection of the organization's desire to expand and dominate markets (Mohammed & Mohammed, 2021).

b) Competitive Construction: This dimension depends on conducting strategic analysis with the aim of formulating the organization's strategy by accurately diagnosing the strengths and weaknesses of its internal environment and trying to invest them in seizing opportunities and confronting threats (Al-Bakri & Al-Saqal, 2016). Competitive formation is a tool that reflects the art of constantly changing the industry structure to form positions of power with the major powers to invest the organization's resources, analyze and monitor the competitive environment, and employ all available alternatives within the competitive field (Al-Yasiri et al., 2017). Competitive formation expresses the extent of the organization's ability and potential to integrate its resources and skills effectively by striving to create value-added competencies that are difficult for others to imitate, in addition to striving to excel in its environment by establishing strategic alliances in a manner consistent with the organization's goals and vision towards its competitive environment (Al-Jarjari & Al-Obaidi, 2023).

c) Competitive Pressure: It represents a continuous series of intense competition, often measured by the market share of each organization operating in the industry (AL-Zubi, 2017). Both Zuuchini & Kretschmer see the need to distinguish between competitive tension and competitive pressure, as "competitive tension" refers to an asymmetric and unaware relationship between competing organizations, and thus destructive competitive movements occur, while "competitive pressure" refers to a symmetrical and perceived relationship between competing organizations (Al-Shawabkeh, 2024). Competitive pressure depends on five forces according to the (Porter) model, which are represented by the forces present in the industry or competitive environment, which are represented by the power of buyers, the power of suppliers, the threats of new competitors, the threats of alternative products, and the unity of competition, as strategic sovereignty provides important tools for measuring the level of competitive pressure. In industry (Alhilawy et al., 2020).

## METHODOLOGY

### Research Problem

The digital transformation revolution that resulted from digital technological developments is almost an endless revolution. Creativity in creating more digital innovations has greatly contributed to facilitating the lives of individuals, but from an organizational standpoint, there is a dialectic represented in the fact that these growing and continuous digital transformations can have a negative impact. Or positive in the strategic sovereignty of organizations, and from here it can be said that the problem of this study is the dialectic of the relationship and impact of digital transformation on strategic sovereignty.



**Research Significant**

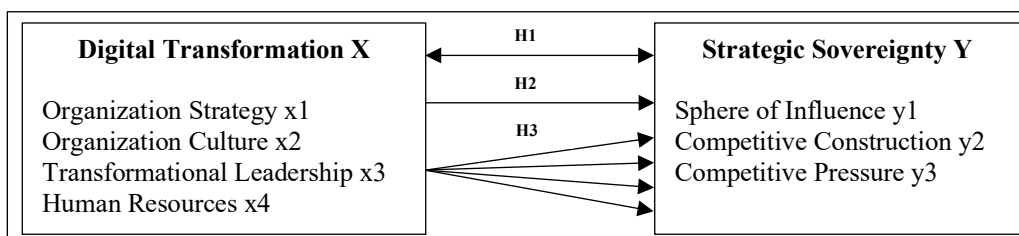
1. It works to enhance the study sample company’s awareness of the importance of digital transformation and its significant impact on enhancing its strategic sovereignty in its business markets.
2. Digital transformation has become, at the present time, in the midst of increasing competition intensity and market openness, an indispensable necessity for companies, and not an optional decision for them.
3. Work to identify the extent to which the study sample company adopts digital transformation indicators and employs them to achieve its strategic sovereignty in the markets.
4. Identify the role of digital transformation in enhancing the strategic sovereignty of the company sample of the study.

**Research Objective**

1. Measuring the extent of the sample members’ awareness of the research variables and its sub-dimensions and the extent of their application in the actual reality of the company?
2. Measuring the relationship between the extent to which the company has adopted a digital transformation strategy in the field of research and enhancing its strategic sovereignty.
3. Measuring the size of the impact that digital transformation has on the company’s strategic sovereignty.

**Hypotheses and Model**

1. H0: There is no significant correlation between Digital Transformation in its dimensions and Strategic Sovereignty.  
H1: There is significant correlation between Digital Transformation in its dimensions and Strategic Sovereignty.
2. H0: There is no significant effect of Digital Transformation in its dimensions on Strategic Sovereignty.  
H2: There is significant effect of Digital Transformation in its dimensions on Strategic Sovereignty.
3. H0: There is no significant multiple effect of the Dimensions of Digital Transformation in enhancing Strategic Sovereignty.  
H3: There is significant multiple effect of the Dimensions of Digital Transformation in enhancing Strategic Sovereignty.



**Figure 1: Research Model**

**Population and Sample**

The research population was represented by Karbala Manufactured Food Products Company. The research targeted a purposive sample of (115) managers, department heads, and officials of administrative and production units in the company, on the basis of which a

questionnaire form was distributed, from which (107) forms were retrieved, from which (7) forms that were not suitable for statistical analysis were excluded. Because it contained missing information, the number of the sample was (100) administrative employees and engineers in the company, in addition to the main agents distributing its products in the governorate. Accordingly, the percentage of questionnaires suitable for statistical testing was (88%), which is an acceptable percentage in Asian countries such as Iraq.

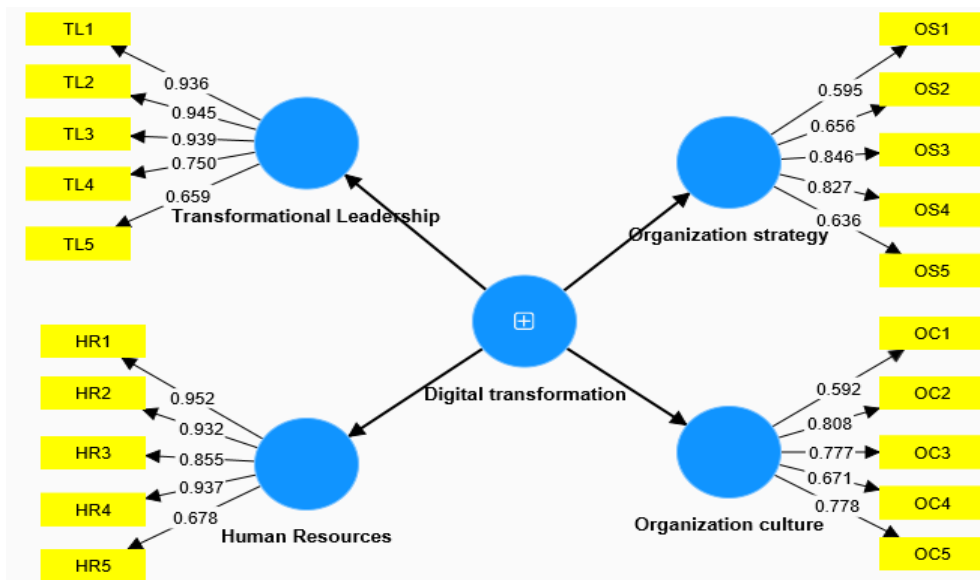
**METHODS AND RESULTS**

**Confirmatory Factor Analysis**

In the current research, the authors relied on structural equation model analysis to evaluate the measurement model through the convergent validity test, relying on calculating the stability of the item index by calculating its external saturation, as well as on the average variance extracted (AVE) and testing the stability of the internal consistency through the Cronbach’s alpha coefficient and dependence. On the reliability coefficient (Hair et al., 2021).

**Confirmatory Factor Analysis of Digital Transformation Variable**

The authors used the statistical program Smart Pls.4 to build a measurement model for the independent variable (Digital Transformation) consisting of four dimensions and each dimension (5 items). Figure 2 and Table 1 display the measurement model. The accepted standard value for confirmatory factor analysis (CFA) ranges between 0.4 to 0.999, and the saturation values for digital transformation fall within the standard range and thus the results appear to be stable and reliable and are suitable for conducting subsequent statistical analyses, as all of them exceeded the significant values of saturation, which indicates that it is a good indicator.



**Figure 2: Measurement Model for Digital Transformation Variable**

Table 1 displays the basic measures to evaluate the quality of the measurement model for the Digital Transformation Variable, and it includes Cronbach’s alpha, which is a measure of internal consistency (Validity of Scale), which ranges from (0.758 to 0.920) across the structural model, and the reliability measure rho\_A ranges from (0.777 to 0.924). As for the composite reliability of rho\_c, it ranged from (0.840 to 0.943), and therefore rho\_A and rho\_c are greater than 0.7, and the average variance extracted (AVE), which is a measure of

convergent validity, ranges from 0.518 to 0.769, and in general we note that all item saturations were greater than (0.40), as well as Regarding the results of the other criteria of the (AVE) criterion, Cronbach’s alpha coefficient, and the reliability of rho\_A and rho\_c, it becomes clear that the percentages in the tested model exceeded the standards required to achieve the credibility and stability of the Digital Transformation Scale.

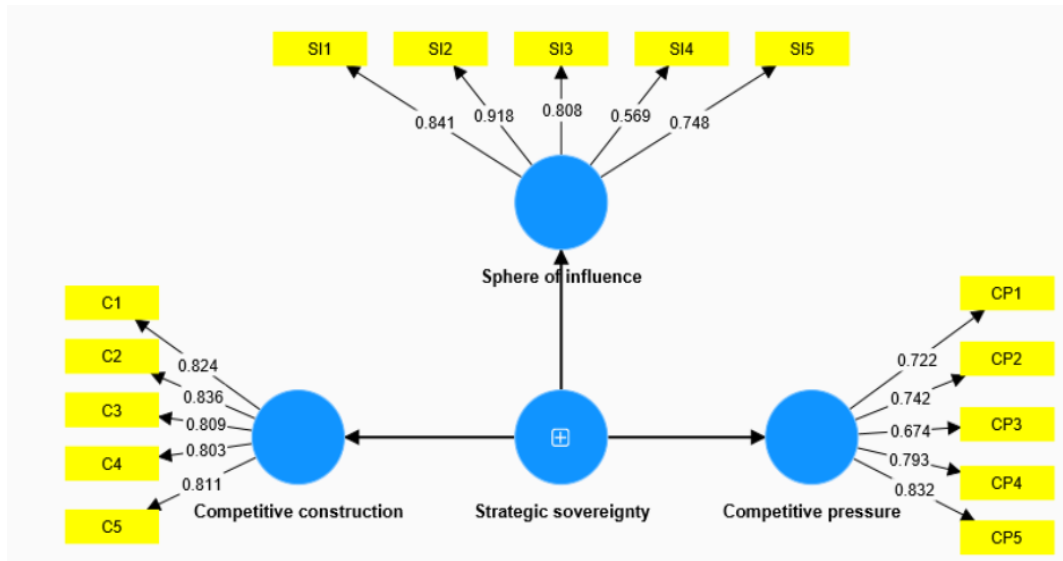
**Table 1: Statistical Indicators for Digital Transformation Variable**

Dimensions	Paragraphs	Satisfaction	Cronbach’s alpha	rho_A	rho_c	AVE
Organization Strategy x1	OS1	0.595	0.758	0.777	0.840	0.518
	OS2	0.656				
	OS3	0.846				
	OS4	0.827				
	OS5	0.636				
Organization Culture x2	OC1	0.592	0.776	0.789	0.849	0.533
	OC2	0.808				
	OC3	0.777				
	OC4	0.671				
	OC5	0.778				
Transformational Leadership x3	TL1	0.936	0.901	0.901	0.930	0.730
	TL2	0.945				
	TL3	0.939				
	TL4	0.750				
	TL5	0.659				
Human Resources x4	HR1	0.952	0.920	0.924	0.943	0.769
	HR2	0.932				
	HR3	0.855				
	HR4	0.937				
	HR5	0.678				

***Confirmatory Factor Analysis of Strategic Sovereignty Variable***

The authors used the Smart Pls.4 statistical program to build a measurement model for the dependent variable (Strategic Sovereignty) consisting of three dimensions and each dimension (5 items). Figure 3 and Table 2 display the measurement model. The accepted standard value for confirmatory factor analysis (CFA) ranges between 0.4 to 0.999, and the saturation values For Strategic Sovereignty fall within the standard range, and thus the results appear to be stable and reliable and are suitable for conducting subsequent statistical analyses, as all of them exceeded the significant values of saturation, which indicates that it is a good indicator.





**Figure 3: Measurement Model for Strategic Sovereignty Variable**

Table 2 also displays the basic measures to evaluate the quality of the measurement model for the Strategic Sovereignty Variable, and it includes Cronbach’s alpha, which ranges from (0.809 to 0.875), and the reliability measure rho\_A ranges from (0.816 to 0.875), while rho\_c ranges from (0.868 to 0.909). Therefore, rho\_A and rho\_c are greater than 0.7, and the average variance extracted (AVE) ranges from 0.569 to 0.667, and in general, we notice that all the saturations of the items exceeded the value of (0.40), in addition to the results for the criteria (AVE), Cronbach’s alpha coefficient, and the reliability of rho\_A and rho\_c, as It is clear that the percentages in the tested model exceeded the standards required to achieve the credibility and stability of the measure of Strategic Sovereignty

**Table 2: Statistical Indicators for Strategic Sovereignty Variable**

Dimensions	Paragraphs	Satisfaction	Cronbach’s alpha	rho_A	rho_c	AVE
Sphere of Influence y1	SI1	0.841	0.838	0.868	0.887	0.617
	SI2	0.918				
	SI3	0.808				
	SI4	0.569				
	SI5	0.748				
Competitive Construction y2	C1	0.824	0.875	0.875	0.909	0.667
	C2	0.836				
	C3	0.809				
	C4	0.803				
	C5	0.811				
Competitive Pressure y3	CP1	0.722	0.809	0.816	0.868	0.569
	CP2	0.742				
	CP3	0.674				
	CP4	0.793				
	CP5	0.832				

## Description and Diagnosis of Research Variables

### *Description and Analysis of Digital Transformation Variable*

This paragraph includes a description and diagnosis of the Digital Transformation Variable, as it is clear from Table 3 the results of the availability of the level of Digital Transformation, which was measured by (4) sub-dimensions, as the variable achieved an overall arithmetic mean of (3.457) with a standard deviation of (1.15) and a coefficient of variation (0.33) and the intensity of the response (69.1%), which confirms that Digital Transformation has attained a moderate level of importance based on the responses of the members of the research sample. Based on the above, the dimensions of Digital Transformation can be arranged at the level of the Kerbala Foodstuff Manufacturing Company, the research sample. Their ranking is as follows. As follows (Organizational Culture, Organization Strategy, Human Resources, And Transformational Leadership), meaning that the Organization's Culture Dimension ranked first according to the answers of the research sample members, if the arithmetic mean reached (3.588) with a standard deviation of (1.11) and an answer intensity of (71.8%), which indicates The behavior of individuals working within the company environment has moral values and rules, but after Transformational Leadership, it ranked fourth according to the answers of the research sample members, as shown in Table 3.

**Table 3: Descriptive Statistics of Digital Transformation Variable and its Dimensions (N=100)**

	Dimensions	Arithmetic Means	Answer Score	Standard Deviations	Coefficient of Variation	Variance	Ranking
x1	Organization Strategy	3.488	69.8%	1.19	0.34	1.41	Second
x2	Organization Culture	3.588	71.8%	1.11	0.31	1.24	First
x3	Transformational Leadership	3.332	66.6%	1.14	0.34	1.29	Fourth
x4	Human Resources	3.420	68.4%	1.16	0.34	1.35	Third
x	Digital Transformation	3.457	69.1%	1.15	0.33	1.33	

### *Description and Analysis of Strategic Sovereignty Variable*

This paragraph includes a description and diagnosis of the Strategic Sovereignty Variable, as it is clear from Table 4 the results of the availability of the level of strategic sovereignty, which was measured by (3) sub-dimensions, as the variable achieved an overall arithmetic mean of (3.416) with a standard deviation of (1.16) and a coefficient of variation (0.34) and the intensity of the response (68.3%), which confirms that strategic sovereignty has attained a moderate level of importance based on the responses of the research sample members. Based on the above, the dimensions of Strategic Sovereignty can be arranged at the level of the Kerbala Foodstuff Manufacturing Company, the research sample. Their ranking is as follows. (Competitive Pressure, Competitive Construction, Sphere of Influence) That is, the Competitive Pressure dimension ranked first according to the answers of the research sample members, if the arithmetic mean reached (3.466) with a standard deviation of (1.17) and an answer intensity of (69.3%), which indicates competitive movement. Directed outward towards competitors, while the dimension of Sphere of Influence was ranked third and last, and the low dispersion in the responses of individuals in the research sample

indicates that the company has achieved its important and distinguished position within the industrial sector, through its ability to achieve superiority in its performance over its competitors by creating its sustainable advantage, and as shown in Table 4.

**Table 4: Descriptive Statistics of Strategic Sovereignty Variable and its Dimensions (N=100)**

	Dimensions	Arithmetic Means	Answer Score	Standard Deviations	Coefficient of Variation	Variance	Ranking
Y1	Sphere Of Influence	3.374	67.5%	1.13	0.34	1.28	Third
Y2	Competitive Construction	3.408	68.2%	1.16	0.34	1.35	Second
Y3	Competitive Pressure	3.466	69.3%	1.17	0.34	1.37	First
Y	Strategic Sovereignty	3.416	68.3%	1.16	0.34	1.33	

**Testing Research Hypotheses**

1. Analysis of the correlations between Digital Transformation in its dimensions with Strategic Sovereignty. The current paragraph explains the type and nature of the relationship between Digital Transformation as an independent variable and Strategic Sovereignty as a dependent variable to prove what was stated in the first main hypothesis (There is no significant correlation between Digital Transformation and Strategic Sovereignty) during the presentation of the test results from through Table 5 and as follows:

- a) There is a very strong and significant positive correlation between Digital Transformation and Strategic Sovereignty, as the value of the correlation coefficient between them reached (0.901\*\*), which is a value with moral significance (1%). Therefore, the percentage of confidence in the results of the relationship reaches (99%), which confirms the existence of a level of the harmony and relationship between the two variables in the field, according to the sample’s answers at the level of the Kerbala Foodstuff Industry Company, the subject of research and application.
- b) There is a strong correlation with significant significance between the sub-dimensions of the independent variable Digital Transformation (Organizational Strategy, Organization Culture, Transformational Leadership, Human Resources) and the dependent variable Strategic Sovereignty. The correlation coefficient values between them reached (0.784\*\*, 0.716\*\*, 0.800\*\*, 0.888\*\*), respectively, at a level of significance (1%). This confirms the existence of a strong correlation between the two variables.

**Table 5: Results of Testing the First Hypothesis**

	Dimensions	Arithmetic Means	Answer Score	Standard Deviations	Coefficient of Variation	Variance	Ranking
Y1	Sphere of Influence	3.374	67.5%	1.13	0.34	1.28	Third
Y2	Competitive Construction	3.408	68.2%	1.16	0.34	1.35	Second
Y3	Competitive Pressure	3.466	69.3%	1.17	0.34	1.37	First
Y	Strategic Sovereignty	3.416	68.3%	1.16	0.34	1.33	

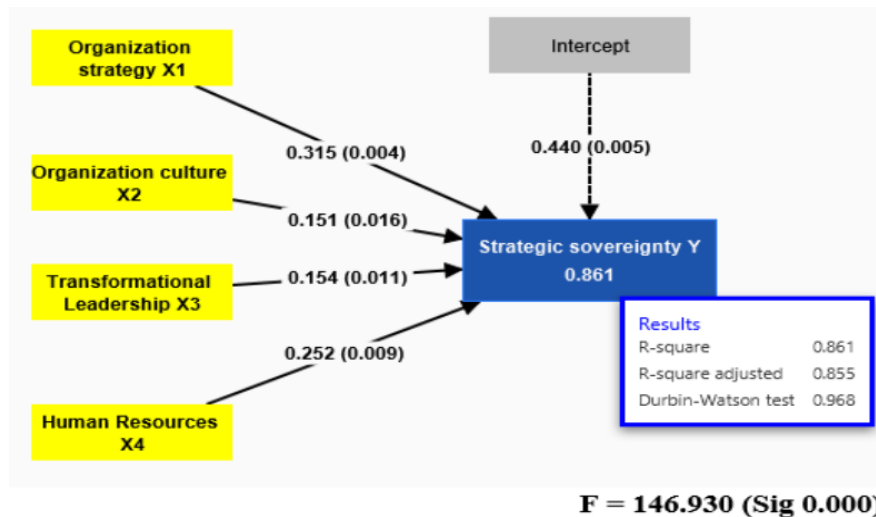
2. Analyzing the simple effect relationships between Digital Transformation in its dimensions on Strategic Sovereignty. This paragraph explains the type and nature of the effect between Digital Transformation as an independent variable on Strategic Sovereignty as a dependent variable to prove what was stated in the second main hypothesis (There is no statistically significant effect relationship for digital transformation on strategic sovereignty) during the presentation The test results are shown in Table 6 and are as follows:

- a) We see from the results shown in Table 6 that there is a statistically significant effect relationship for Digital Transformation on Strategic Sovereignty, and that the estimated regression equation was  $Y = 0.363 + 0.883X$ , which explains 81.1% of the nature of the relationship between Digital Transformation and Strategic Sovereignty, meaning 81.1%. Of the changes that occur in Strategic Sovereignty resulting from the change in Digital Transformation Statistical significance of Digital Transformation in Strategic Sovereignty.
- b) It appears from the results in Table 6 that there is a statistically significant effect relationship for the Organization’s Strategy x1 on Strategic Sovereignty Y, and that the estimated regression equation was  $Y = 0.848 + 0.736$ . The changes that occur in Strategic Sovereignty resulting from the change in the Organization’s Strategy Statistically significant effect of Organization Strategy on Strategic Sovereignty.
- c) When considering the results of Table 6, we notice that there is a statistically significant effect of the Organization’s Culture x2 on Strategic Sovereignty Y, and that the estimated regression equation was  $Y = 0.884 + 0.706$ . The changes that occur in Strategic Sovereignty result from the change in the Organization’s Culture Statistically significant for Organization Culture in Strategic Sovereignty.
- d) When looking at the results of Table 6, it is clear that there is a statistically significant effect of Transformational Leadership x3 on Strategic Sovereignty Y, and that the estimated regression equation was  $Y = 1.230 + 0.656$ . The changes that occur in Strategic Sovereignty resulting from the change in Transformational Leadership Statistically significant effect of Transformational Leadership on Strategic Sovereignty.
- e) Through the results of Table 6, we see the presence of a statistically significant effect of Human Resources x4 on Strategic Sovereignty Y, and the estimated regression equation was  $Y = 1.043 + 0.694$ . The changes that occur in Strategic Sovereignty result from the change in Human Resources Statistically significant effect of Human Resources on Strategic Sovereignty.

**Table 6: Parameters of Simple Linear Regression Model**

Dependent variable		Strategic Sovereignty Y					
Independent variable		a	b	F	Sig. (F)	R <sup>2</sup>	Decision
Dimensions	Digital Transformation X	0.363	0.883	421.110	0.000	0.811	Reject the null hypothesis
	Organization Strategy x1	0.848	0.736	155.846	0.000	0.614	Reject the null hypothesis
	Organization Culture x2	0.884	0.706	103.120	0.000	0.513	Reject the null hypothesis
	Transformational Leadership x3	1.230	0.656	174.583	0.000	0.640	Reject the null hypothesis
	Human Resources x4	1.043	0.694	366.922	0.000	0.789	Reject the null hypothesis

3. Analysis of the multiple influence relationships between the dimensions of Digital Transformation and Strategic Sovereignty. This paragraph explains the influence of the dimensions of Digital Transformation as an independent variable and Strategic Sovereignty as a dependent variable to prove what was stated in the third main hypothesis (There is no statistically significant multiple influence relationship for the dimensions of Digital Transformation on Strategic Sovereignty) and in order to accept Whether the main hypothesis above was rejected or not, the F test was used to analyze the significance of the multiple linear regression model, as shown in Figure 4, which was built according to the following formula:  $Y = 0.440 + 0.315x_1 + 0.151x_2 + 0.154x_3 + 0.252x_4$ .



**Figure 4: Multiple Impact of Dimensions of Digital Transformation on Strategic Sovereignty**

From Figure 4 we notice the following:

- The value of the coefficient of determination (interpretation factor)  $R^2$  was (0.861), which explains 86.1% of the nature of the relationship between the dimensions of digital transformation and Strategic Sovereignty, meaning that some of the changes that occur in Strategic Sovereignty Y result from changes in the dimensions of the company's digital transformation. As for the remaining percentages, which amount to (13.9%), is explained by other variables not included in the research.
- F value calculated for the multiple linear regression model (146.930) is at a significant level (Sig=0.000), which indicates the significance of the regression.
- We notice that the Organization's Strategy Which indicates that the multiple linear regression model is significant at a significance level (sig=0.000), and from the above it is clear that the Organization's Strategy x1 has an impact on Strategic Sovereignty Y at a significance level (1%).
- We notice that the Organization's Culture sig=0.000) From the above it is clear that the Organization's Culture x2 has an impact on Strategic Sovereignty Y at the moral level (1%).
- We also notice that Transformational Leadership (sig=0.000) From the above it is clear that Transformational Leadership x3 has an impact on Strategic Sovereignty Y at the moral level (1%).
- We also notice that Human Resources (sig=0.000) From the above it is clear that Human Resources x4 have an impact on Strategic Sovereignty Y at a significant level (1%).

- g) Through this, we conclude by rejecting the third main hypothesis and accepting the alternative hypothesis, that is, there is a statistically significant multiple influence relationship for the dimensions of Digital Transformation in Strategic Sovereignty.

### DISCUSSION

The current research examined the relationship between Digital Transformation (DT) and Strategic Sovereignty (SS) applied in Kerbala Foodstuff Company Limited. (DT) has been hypothesized to have a positive effect in enhancing (SS). We analyzed the responses of the sample members, which amounted to 100 respondents. Most of the survey participants are administrative leaders who have extensive experience in assuming various administrative tasks. The results showed that adopting DT strategies has a positive relationship and impact on achieving the company's SS.

Our study is relevant and useful in several ways: First, it provides further support for the benefits of DT strategies in promoting SS. Secondly, it contributed to enhancing the shift from traditional strategies in business performance to digital strategies that provide many competitive advantages for the company, and this is what was found in a study (Al-Turfi, 2021).

The descriptive results also indicated that managers have sufficient awareness of the variables of the study and its sub-dimensions, which gives a strategic vision to improve their strategic performance by adopting development strategies by them to be a perfect organization, and this is consistent with studies (Ahmed et al., 2023) and (Fadhil et al., 2023).

As a result, organizations must investigate digital variables that may help in quickly responding to changes in the internal and external business environment and act proactively to take advantage of possibilities that arise due to change as well as the requirements of keeping up with today's technical and technological development.

### CONCLUSIONS

There is sufficient awareness among the research sample of the variables and dimensions of the current research to serve the research objectives and answer the question that we documented previously. On the other hand, there is a strong and significant correlation between DT and SS, which positively indicates the importance of DT in a good level of SS for that company, in addition to having a clear vision, goals, policies and procedures in improving the company's SS. One of the most prominent results reached is proving the interconnected and influential relationship of (DT) in enhancing (SS), which allows improving the quality of the company's outputs.

These results support the idea of the research and achieve its objectives. In fact, DT can be useful towards creating a stimulating climate for managers towards providing and achieving what is better than others, and this is what we call positive transformation that can enhance the performance of the tasks assigned to them in an innovative and more useful way than before, especially in the company's work sector, Which always needs renewal, and moving away from traditional methods to be more flexible, agile and ingenious in its work, which is extremely sensitive and important for the sustainability of its success.

These convincing results confirm the validity of the basic hypotheses of this research and open prospects for broad exploration to improve the relationship between the adoption of DT strategies and the achievement of SS. The implications extend to organizational practices, suggesting that developing a coherent strategic vision, aligned with effective DT strategies, can significantly enhance an organization's ability to achieve strategic dominance in its target markets.



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