

The Relationship of Organizational Strategy, Organizational Structure Design, and External Environment with Organizational Effectiveness: A Study at Rizquna Wholesale Furniture Store, Jatibarang, Indramayu

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Abstract: Increasing Increasing competition in the wholesale furniture sector requires organizations to align strategic direction, organizational structure, and responses to changes in the external business environment. This study examines the relationships of organizational strategy, organizational structure design, and external environment with organizational effectiveness at Rizquna Wholesale Furniture Store in Jatibarang, Indramayu, Indonesia. A quantitative explanatory research design was employed using a saturated sampling method involving all 43 employees of the organization. Data were collected through a structured questionnaire using a five-point Likert scale and analyzed using multiple linear regression with IBM SPSS Statistics. The results show that organizational structure design and the external environment have statistically significant partial relationships with organizational effectiveness, with p-values of 0.033 and 0.044, respectively, whereas organizational strategy does not have a statistically significant partial relationship ($p = 0.084$). The overall regression model is statistically significant ($F = 24.817$, $p < 0.001$), with an R^2 value of 0.656, indicating that the three independent variables collectively explain 65.6% of the variance in organizational effectiveness. Because the available statistical evidence does not include standardized regression coefficients or comparable effect-size measures, the study does not designate any single variable as the strongest predictor. The findings indicate that organizational effectiveness

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at Rizquna is associated with the combined contribution of strategic, structural, and environmental dimensions. The study is limited to one wholesale furniture business and 43 employees; therefore, the findings should be interpreted as context-specific evidence and should not automatically be generalized to other organizations or business sectors.

Keywords: Organizational strategy, organizational structure design, external environment, organizational effectiveness, wholesale furniture business.

Introduction

Organizational effectiveness is an important concern for wholesale businesses because their ability to achieve organizational goals is influenced by internal managerial arrangements and changing conditions in the business environment. In the wholesale furniture sector, organizations must coordinate employees, maintain operational efficiency, respond to customer needs, manage relationships with suppliers, and adapt to competitive and technological changes. These conditions require organizations to maintain an appropriate alignment between organizational strategy, organizational structure, and the external environment. Rizquna Wholesale Furniture Store in Jatibarang, Indramayu, Indonesia, operates in a business environment characterized by competition, changing customer preferences, supplier considerations, technological developments, market dynamics, and regulatory requirements. These conditions make organizational effectiveness not only a matter of having strategic objectives, but also of how organizational activities are structured and how the organization operates within its external environment. Therefore, examining the factors associated with organizational effectiveness in this specific organizational context is important. Organizational strategy provides direction for achieving organizational objectives through strategic planning, organizational systems, organizational culture, and implementation of organizational goals. However, having a strategy does not necessarily guarantee organizational effectiveness when the strategy is not adequately supported by an appropriate organizational structure and alignment with environmental conditions. Organizational structure design determines how tasks and responsibilities are divided, coordinated, supervised, and formalized. An appropriate structure can facilitate coordination and decision-making, whereas an inappropriate structure may create communication and coordination problems that constrain organizational effectiveness.

The external environment represents conditions and forces outside the organization that may create opportunities, constraints, or pressures for organizational operations. In this study, the external environment is operationalized through customers, competitors, suppliers, technological developments, government regulations, market conditions, and substitute

products. These indicators refer to external actors and conditions surrounding the organization and should therefore be distinguished from organizational responsiveness. Organizational responsiveness refers to the organization's internal capability to recognize, interpret, and respond to environmental changes. Although responsiveness may explain how organizations react to external conditions, it is not the variable directly measured in this study. Accordingly, this research consistently uses the term external environment for X3. Previous studies have generally examined organizational strategy, organizational structure, and environmental factors as determinants of organizational effectiveness, but these dimensions are often investigated separately or in different organizational and industrial contexts.

Consequently, an important theoretical issue remains whether organizational strategy, organizational structure design, and the external environment provide complementary explanatory contributions to organizational effectiveness when examined simultaneously within the same organizational setting. Examining these three dimensions together is important because organizational effectiveness may emerge from the alignment between internal strategic direction, structural arrangements, and external environmental conditions rather than from one organizational factor alone. This study addresses this gap by examining the relationships of organizational strategy, organizational structure design, and the external environment with organizational effectiveness at Rizquna Wholesale Furniture Store in Jatibarang, Indramayu. The study uses a quantitative approach to assess the partial relationships of each independent variable with organizational effectiveness and their combined contribution to the dependent variable. By integrating these three dimensions within a single analytical model, the study provides context-specific empirical evidence regarding organizational effectiveness in a wholesale furniture business. The study contributes in two ways. Theoretically, it provides an integrated examination of strategic, structural, and environmental dimensions of organizational effectiveness within the perspective of organizational alignment. Empirically, it extends evidence from the context of a wholesale furniture business in Indramayu, where organizational effectiveness is examined using data from all employees of the organization. The findings are expected to provide a basis for understanding which organizational dimensions are statistically associated with effectiveness and for developing more appropriate managerial practices in similar business contexts.

Research Objective

The study investigates how organizational strategy, organizational structure design, and the external environment affect organizational effectiveness at Rizquna Wholesale Furniture Store. The analysis examines both the individual contribution of each independent variable and their collective influence on organizational effectiveness. By evaluating these factors

within a single framework, the study seeks to determine the relevance of each dimension and clarify the relative contribution of strategic direction, organizational structure, and environmental conditions to organizational effectiveness in the research context.

Research Hypotheses

Literature Review and Hypothesis Development

Contingency Theory Perspective

Contingency Theory provides the primary theoretical perspective for this study. The theory argues that organizational effectiveness does not depend on the existence of a single universally appropriate organizational arrangement. Rather, organizational outcomes depend on the degree of fit between internal organizational characteristics and the conditions surrounding the organization. Organizational strategy, structural arrangements, and environmental conditions therefore need to be considered in relation to one another. This perspective is particularly relevant to small wholesale businesses because their organizational arrangements are often shaped by limited human resources, relatively simple structures, centralized decision-making, and changing market conditions. Under such circumstances, organizational effectiveness may depend on whether strategic direction is supported by an appropriate structure and whether the organization operates in accordance with the conditions of its external environment. Accordingly, this study uses Contingency Theory as the overarching theoretical foundation for examining the relationships of organizational strategy, organizational structure design, and external environment with organizational effectiveness. The theory provides the basis for proposing that the effectiveness of a small wholesale organization is associated with the fit among its strategic direction, internal structural arrangements, and external environmental conditions.

Organizational Strategy and Organizational Effectiveness

Organizational strategy refers to the direction and priorities established by an organization to achieve its objectives. It provides a basis for determining organizational goals, allocating resources, coordinating activities, and guiding employees toward desired outcomes. In this study, organizational strategy is reflected in the clarity of vision and mission, strategic planning, organizational culture, organizational systems, and implementation of organizational goals. From a Contingency Theory perspective, strategy is expected to contribute to organizational effectiveness when strategic priorities are appropriately aligned with organizational requirements and operating conditions. A clear strategic direction can help employees understand organizational priorities and provide a basis for coordinating activities toward common objectives. However, the value of strategy depends on its translation

into operational activities and its compatibility with the organization's structure and available capabilities. This relationship is particularly relevant to a small wholesale furniture business such as Rizquna, where employees may be closely involved in day-to-day operational activities. A clear strategy can provide direction for sales, inventory, customer service, and other operational activities. When strategic objectives are communicated clearly and translated into practical actions, organizational resources and employee activities are expected to be more closely aligned with organizational goals. Therefore, based on Contingency Theory and the strategic alignment perspective, organizational strategy is expected to have a positive relationship with organizational effectiveness.

H1: Organizational strategy has a positive relationship with organizational effectiveness.

Organizational Structure Design and Organizational Effectiveness

Organizational structure design refers to the arrangement of tasks, responsibilities, authority, reporting relationships, and coordination mechanisms within an organization. In this study, organizational structure design is reflected through work specialization, departmentalization, chain of command, span of control, centralization or decentralization, and formalization. Contingency Theory suggests that organizational structure should be appropriate to the characteristics and requirements of the organization rather than follow one universally effective structural form. A structure that clearly allocates responsibilities and authority can facilitate coordination, communication, supervision, and decision-making. Conversely, unclear reporting relationships, overlapping responsibilities, or inappropriate levels of centralization may create coordination difficulties and reduce operational efficiency. This argument is particularly important in a small wholesale furniture business. Small organizations commonly operate with limited personnel, and individual employees may perform multiple functions. Under these conditions, clearly defined responsibilities and authority can reduce role ambiguity while maintaining the flexibility required for daily operations. An appropriate span of control and effective communication between management and employees can also facilitate faster decision-making and coordination. At Rizquna, where some employees perform multiple operational responsibilities, structural clarity is therefore expected to be particularly relevant to organizational effectiveness. A structure that is sufficiently clear while remaining appropriate to the organization's scale may facilitate the implementation of organizational activities and support the achievement of organizational objectives. Therefore, based on Contingency Theory, organizational structure design is expected to have a positive relationship with organizational effectiveness.

H2: Organizational structure design has a positive relationship with organizational effectiveness.

External Environment and Organizational Effectiveness

The external environment refers to conditions, actors, and forces outside the organization that may create opportunities, constraints, uncertainty, or competitive pressures for organizational activities. In this study, the external environment is operationalized through customers, competitors, suppliers, technological developments, government regulations, market conditions, and substitute products. These indicators represent external conditions surrounding the organization rather than the organization's internal ability to respond to those conditions. Therefore, the construct should be distinguished from organizational responsiveness. Organizational responsiveness refers to an organization's capability to recognize, interpret, and respond to external changes, whereas the external environment refers to the external conditions themselves. Although organizational responsiveness may constitute an important organizational mechanism, it is not measured as a separate variable in this study. From a Contingency Theory perspective, the external environment is important because organizational effectiveness depends partly on the fit between organizational arrangements and environmental conditions. Changes in customer preferences, competitor activities, supplier conditions, technological developments, regulations, market demand, and substitute products may alter the requirements faced by the organization. Organizations operating in such conditions need internal arrangements that are sufficiently compatible with those external demands. This relationship is particularly relevant to Rizquna Wholesale Furniture Store because the business operates in a market affected by changing customer preferences, competitive activities, supplier conditions, technological developments, substitute products, and market demand. These external conditions may influence sales activities, inventory decisions, customer relationships, and operational priorities. Consequently, variations in the external environment are expected to be associated with differences in organizational effectiveness. Therefore, based on Contingency Theory, the external environment is expected to have a significant relationship with organizational effectiveness.

H₃: The external environment has a positive relationship with organizational effectiveness.

Integrated Model and Simultaneous Model Assessment

The preceding arguments position organizational strategy, organizational structure design, and the external environment as three related dimensions of organizational effectiveness. Strategy provides organizational direction, structure provides the internal arrangement through which activities are coordinated, and the external environment represents the conditions within which organizational activities take place. From a contingency perspective, organizational effectiveness can therefore be understood in terms of the alignment among these dimensions. The conceptual model does not assume that the three independent variables

have identical effects. Instead, the partial relationships represented by H1, H2, and H3 are examined separately through multiple regression analysis to determine whether each variable has a statistically significant relationship with organizational effectiveness while the other predictors are controlled. In addition to the partial tests, the multiple regression model is evaluated as a whole. The simultaneous test determines whether organizational strategy, organizational structure design, and the external environment collectively provide a statistically significant explanation of variation in organizational effectiveness. This test does not constitute an additional causal pathway or a fourth independent relationship. Rather, it represents an assessment of the statistical significance of the overall regression model. Accordingly, the simultaneous model assessment is formulated as follows:

H4: The multiple regression model containing organizational strategy, organizational structure design, and the external environment is statistically significant in explaining organizational effectiveness.

This formulation treats H4 as a model-level statistical hypothesis, which is subsequently evaluated using the F-test rather than as an additional causal relationship equivalent to H1–H3.

Conceptual Framework

The conceptual framework positions Organizational Strategy (X_1), Organizational Structure Design (X_2), and External Environment (X_3) as the independent variables, while Organizational Effectiveness (Y) is the dependent variable. The framework examines three partial relationships. The first examines the relationship between Organizational Strategy (X_1) and Organizational Effectiveness (Y). The second examines the relationship between Organizational Structure Design (X_2) and Organizational Effectiveness (Y). The third examines the relationship between External Environment (X_3) and Organizational Effectiveness (Y).

Multiple regression is used to statistically test the explanatory model. Thus, H1–H3 are the partial relationships tested by regression coefficients and t-tests, and H4 is the significance of the overall regression model tested by the F-test. This distinction guarantees that the theoretical and methodological aspects of the conceptual framework, hypothesis development and statistical analysis are aligned. Building on contingency theory and the theoretical arguments presented above, this study conceptualizes organizational effectiveness as being associated with three organizational dimensions: organizational strategy, organizational structure design and the external environment. Organizational strategy is the strategic direction of the organization; organizational structure design is the internal arrangement through which responsibilities, authority, communication, and coordination are arranged;

and the external environment is the conditions and pressures originating outside the organization.

The conceptual framework is composed of three independent variables and one dependent variable. Organizational effectiveness (Y) and organizational strategy (X1), organizational structure design (X2), and external environment (X3). The framework examines the separate relationships of organizational strategy and organizational effectiveness, organizational structure design and organizational effectiveness, and external environment and organizational effectiveness. The three independent variables are also analyzed together to test their combined contribution to organizational effectiveness. Thus, the empirical model explains the partial relationship of organizational strategy, organizational structure design and the external environment to organizational effectiveness and their joint explanatory contribution to organizational effectiveness. The framework is in line with contingency theory, where organizational effectiveness is seen as the fit between the strategic direction, structural arrangements, and external environmental conditions. The framework does not assume that any one dimension of the organization is universally sufficient to produce effectiveness. Instead, it recognizes that organizational outcomes are associated with company configurations and the environments in which these configurations operate.

Summary of Hypotheses

The data collected in this study were first examined to identify the characteristics of the respondents. The respondent characteristics provide an overview of their job positions, length of employment, and age, as presented in Table 1.

Table 1 Summary of Hypotheses

Hypothesis	Proposed Relationship
H1	Organizational strategy has a positive relationship with organizational effectiveness.
H2	Organizational structure design has a positive relationship with organizational effectiveness.
H3	The external environment has a significant relationship with organizational effectiveness.
H4	Organizational strategy, organizational structure design, and the external environment jointly contribute to organizational effectiveness.

The empirical analysis of the interrelationships among the variables in this study is based on the hypotheses in Table 1. H1, H2 and H3 are tests of the partial relationships between each independent variable and organizational effectiveness, and H4 is a test of the joint contribution of organizational strategy, organizational structure design and the external

environment to organizational effectiveness. These hypotheses are subsequently tested through multiple regression analysis.

Research Design

This study employed a quantitative explanatory research design to examine the hypothesized relationships among organizational strategy, organizational structure design, the external environment, and organizational effectiveness. A quantitative approach was considered appropriate because the constructs investigated were operationalized into measurable variables and evaluated using statistical techniques. The explanatory design was applied to test the theoretically established hypotheses concerning both the individual and simultaneous effects of the three independent variables on organizational effectiveness. Multiple linear regression was utilized to estimate the influence of each predictor while controlling for the effects of the other independent variables within the same analytical model. The research was conducted at Rizquna Wholesale Furniture Store in Jatibarang, Indramayu, Indonesia. The site was selected because its organizational and operational characteristics correspond closely with the issues examined in this study. Rizquna operates as a regional wholesale furniture business in a competitive market influenced by changing customer preferences and market conditions. Initial observations and interviews with the store administrator revealed several conditions relevant to the research variables, including challenges in implementing organizational strategies, communication and coordination difficulties between management and employees, the assignment of multiple responsibilities to certain employees, and the need to respond effectively to competitors and changing market demands. These conditions provide a relevant empirical context for examining the relationships between strategic direction, organizational structure, environmental responsiveness, and organizational effectiveness.

The organizational characteristics of Rizquna further support its suitability as the research setting. As a relatively small business with a simple organizational arrangement, some employees are responsible for multiple operational functions. Such circumstances can influence role clarity, authority relationships, communication, coordination, and operational efficiency. At the same time, the business operates within a wholesale furniture market affected by changes in consumer preferences, competitor activities, substitute products, technological developments, and broader economic and market conditions. The interaction between these internal and external characteristics provides an appropriate context for examining organizational structure and environmental responsiveness alongside organizational strategy. Therefore, the selection of the research site was based not only on geographical accessibility but also on the alignment between the organization's characteristics and the theoretical relationships examined in the study. Rizquna provides a relevant empirical

setting for assessing the individual and simultaneous contributions of organizational strategy, organizational structure design, and the external environment to organizational effectiveness. Furthermore, the study contributes empirical evidence from a regional wholesale furniture business context, which remains relatively less explored in organizational management research.

Population and Sample

The population consisted of all 43 employees working at Rizquna Wholesale Furniture Store. Because the population was relatively small, clearly identifiable, and accessible to the researchers, a census or saturated sampling technique was employed. Thus, all 43 employees were included as respondents. The use of census sampling was considered appropriate because excluding employees from a small organizational population could reduce the completeness of the organizational-level evidence. The respondents represented several functional positions, including store administrator and manager, sales, warehouse and logistics, and administration and other positions. The use of a census does not imply that the findings are statistically representative of other organizations. The study was performed in one wholesale furniture business with 43 employees, and the results should be considered as context specific evidence. Generalization to other organizations, business sectors or geographic areas should therefore be made with caution.

Data Collection and Measurement

This section provides an explanation of data collection and measurement procedures of this study. The data was gathered from the respondents who satisfied the pre-determined criteria so that the respondents were relevant to the research objectives and represented the organization under study. Prior to presenting the results of the statistical analysis, a description of the respondents is provided to give an overview of the participants involved in the study. This helps put the findings into context by presenting the demographic and employment backgrounds of the respondents. The characteristics of the respondents are reported by job position, length of employment and age. The characteristics are summarized in Table 2.

Table 2 Respondent Characteristics

Characteristic	Category	Frequency	Percentage (%)
Job Position	Store Administrator/Manager	3	7.0
	Sales Staff	16	37.2
	Warehouse/Logistics Staff	14	32.6

	Administration/Other Staff	10	23.2
Length of Employment	< 1 year	5	11.6
	1–5 years	21	48.8
	> 5 years	17	39.5
Age	< 25 years	9	20.9
	25–34 years	17	39.5
	35–44 years	11	25.6
	≥ 45 years	6	14.0
Gender	Male	31	72.1
	Female	12	27.9
Education	Senior High School/Equivalent	29	67.4
	Diploma	3	7.0
	Bachelor's Degree	10	23.3
	Other	1	2.3
Total Respondents		43	100

The respondent profile shows that the workforce at Rizquna Wholesale Furniture Store was predominantly male, accounting for 72.1% of the respondents, while female employees represented 27.9%. In terms of age distribution, respondents aged 25–34 years constituted the largest group at 39.5%, followed by those aged 35–44 years at 25.6%. With regard to employment tenure, 48.8% of respondents had worked at the organization for 1–5 years, while 39.5% had more than five years of work experience. In terms of educational attainment, the majority of respondents had completed senior high school or an equivalent level of education, representing 67.4% of the workforce. Regarding job position, sales employees comprised the largest proportion of respondents at 37.2%, followed by warehouse and logistics employees at 32.6%. The distribution of respondents across these positions indicates that most participants were directly involved in the organization's operational activities. Their work experience and direct involvement in daily operations made them relevant sources of information for assessing organizational strategy, organizational structure design, external environmental

conditions, and organizational effectiveness. Nevertheless, the interpretation of these findings should remain within the specific context of Rizquna Wholesale Furniture Store. Since the study employed a census approach involving the entire employee population of the organization, the respondent characteristics accurately describe the workforce examined in this research but should not automatically be generalized to employees of other wholesale businesses or organizations with different organizational structures, workforce compositions, and environmental conditions.

Data Collection

Primary data were collected using a structured, closed-ended questionnaire administered to all respondents. All measurement items employed a five-point Likert scale, ranging from 1 = strongly disagree to 5 = strongly agree. The questionnaire consisted of 48 measurement items covering four constructs: organizational strategy (X1), organizational structure design (X2), external environment (X3), and organizational effectiveness (Y). The distribution of the measurement items across the four constructs is presented in Table 3.

Table 3 Distribution of Measurement Items

Variable	Code	Number of Items	Main Sources
Organizational Strategy	X1	10	David et al. (2020); Wheelen et al. (2018); Schein & Schein (2017); Daft (2021)
Organizational Structure Design	X2	12	Robbins & Coulter (2021); Daft (2021)
External Environment	X3	14	Duncan (1972); Dess & Beard (1984); Robbins & Coulter (2021); Porter (1985)
Organizational Effectiveness	Y	12	Daft (2021); Richard et al. (2009)
Total		48	

The measurement items were adapted from established organizational management concepts and adjusted to the context of a wholesale furniture business. The questionnaire was administered to all employees included in the population. The external environment construct was operationalized as the external conditions and actors surrounding the organization rather than as the organization's ability to respond to those conditions. The indicators therefore refer to factors such as customers, competitors, suppliers, technological developments, regulations, market conditions, and substitute products. Organizational responsiveness is conceptually distinct from the external environment and is therefore not treated as an indicator of X3.

Instrument Testing

The research instrument was constructed and validated for appropriateness of the variables under investigation before the main data collection process. The primary data were collected through a structured questionnaire distributed to the employees of Rizquna Wholesale Furniture Store. The questionnaire was developed as a self-administered instrument with closed-ended statements; thus, it provided a standardized format to record the perceptions of the respondents for the four research variables. This structured approach is suitable to quantitative explanatory research because standardized measurement items allow responses to be transformed into numerical data and analyzed systematically through the use of statistical techniques. All questionnaire items were measured on a five-point Likert scale with 1 = Strongly Disagree and 5 = Strongly Agree. The reason for selecting this scale is that it provides a simple set of response options for the respondents and allows the quantification of perceptions and attitudes for subsequent statistical analysis. The measurement items were developed from the adaptation of concepts and indicators from the existing theoretical and empirical literature and their adaptation to the setting of this research. Prior to distribution, the language of the statements was reviewed and edited for clarity, comprehensibility and relevance for employees of a wholesale furniture business. The instrument contained four main research variables; organizational strategy (X1), organizational structure design (X2), external environment (X3) and organizational effectiveness (Y). Each variable was measured by a set of measurement indicators that reflected its respective theoretical dimensions.

Operational Definition and Measurement of Variables

The variables in this study were operationalized based on established organizational management concepts and adapted to the context of Rizquna Wholesale Furniture Store in Jatibarang, Indramayu, Indonesia. The operationalization defines the scope of each construct and provides the basis for measuring the variables used in the study. All constructs were measured using a five-point Likert scale ranging from 1 = strongly disagree to 5 = strongly agree. The operational definitions and measurement of the variables are presented in Table 4.

Table 4 Operational Definitions and Measurement of Variables

Variable	Operational Definition	Indicators	Item Code	No. of Items	Source
Organizational Strategy (X1)	The organization's strategic direction and the alignment of organizational activities with its objectives.	Strategic direction; organizational objectives; strategic planning; implementation of strategy; alignment	X1.1–X1.10	10	David et al. (2020); Wheelen et al. (2018); Schein & Schein

		of activities with objectives			(2017); Daft (2021)
Organizational Structure Design (X2)	The formal arrangement of roles, responsibilities, authority, coordination, and reporting relationships within the organization.	Division of work; departmentalization; authority; responsibility; coordination; formalization; span of control; reporting relationships	X2.1–X2.12	12	Robbins & Coulter (2021); Daft (2021)
External Environment (X3)	External conditions and actors surrounding the organization that may influence organizational operations and decision-making.	Customers; competitors; suppliers; technology; government regulations; market conditions; substitute products	X3.1–X3.14	14	Duncan (1972); Dess & Beard (1984); Robbins & Coulter (2021); Porter (1985)
Organizational Effectiveness (Y)	The extent to which the organization achieves its intended objectives through effective organizational processes and outcomes.	Goal achievement; organizational performance; resource utilization; internal processes; coordination; organizational outcomes	Y1–Y12	12	Daft (2021); Richard et al. (2009)
Total				48	

Note: All items were measured using a five-point Likert scale (1 = strongly disagree; 5 = strongly agree).

Organizational strategy (X1) refers to the strategic direction of the organization and the extent to which organizational activities are directed toward the achievement of established objectives. Organizational structure design (X2) involves the formal arrangement of roles, responsibilities, authority, coordination, and reporting relationships in the organization. The external environment (X3) is conceptually defined as the external conditions and actors surrounding the organization that may influence the organization's operations and decision making. This includes customers, competitors, suppliers, technological developments, government regulations, market situation and substitute products. Hence, X3 does not denote organizational responsiveness or the organization's ability to respond to environmental

changes. Responsiveness is treated as an organizational capability and is thus conceptually distinct from the external environment construct. Organizational Effectiveness (Y) refers to the degree to which the organization is able to attain its desired goals through effective organizational processes, coordination, utilization of resources, and organizational outcomes.

Conceptual Clarification of the External Environment

The external environment construct requires a clear conceptual boundary because environmental conditions should not be conflated with organizational responsiveness. In this study, the external environment represents what exists outside the organization and potentially affects its activities, rather than how the organization responds to those external conditions. Accordingly, customers, competitors, suppliers, technological developments, regulations, market conditions, and substitute products are treated as components of the external environment. These factors represent external actors or conditions that may create opportunities, constraints, uncertainty, or competitive pressures for the organization. Organizational responsiveness, by contrast, refers to an internal organizational capability to identify, interpret, and respond to environmental changes. Since responsiveness is not the conceptual focus of X₃ in this study, items measuring the organization's ability to respond to environmental changes should not be labeled as external-environment indicators. This distinction improves construct validity and ensures consistency between the theoretical definition and empirical measurement of X₃.

Research Framework

The research framework is rooted in the contingency view of organizational management, where organizational effectiveness is defined as the match between organizational characteristics and the contextual factors affecting the organization. Organizational strategy (X₁), organizational structure design (X₂), and external environment (X₃) are independent variables and organizational effectiveness (Y) is the dependent variable of this study. Organizational strategy is the direction, priorities and resource allocation used to achieve organizational objectives. Organizational structure design is the process of designing the tasks, responsibilities, authority, reporting relationship and coordination mechanisms. The external environment refers to the conditions outside the organization that include customers, competitors, suppliers, technology, government regulations, market conditions, and substitute products. The three dimensions are discussed separately and together in relation to organizational effectiveness. The framework provides the basis to test H₁, H₂ and H₃ by partial regression analysis and H₄ by simultaneous assessment of the multiple regression model. Therefore, the framework links the theoretical perspective, hypothesis development, and statistical analysis of organizational effectiveness.

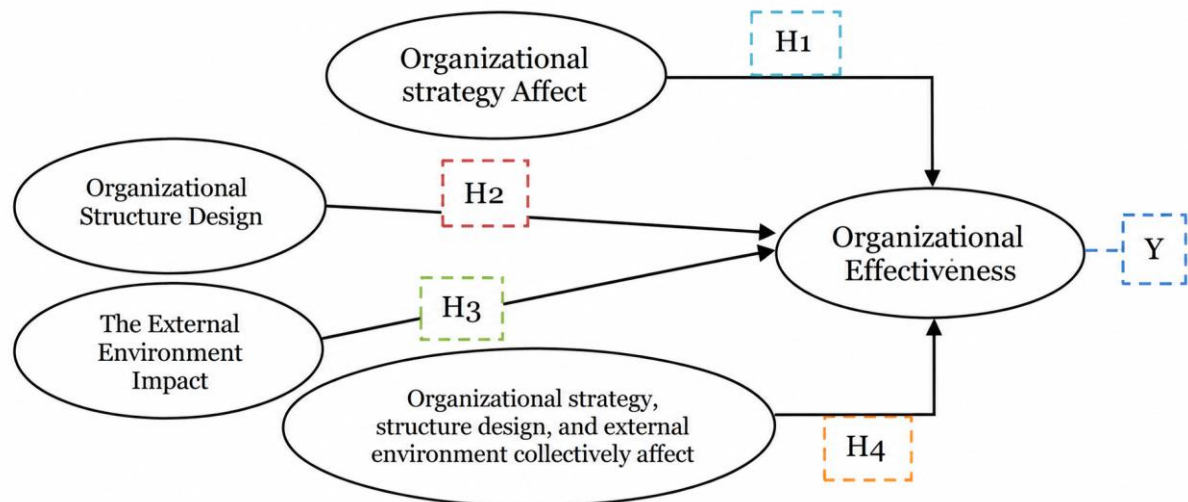


Figure 1 Research Framework

Figure 1 illustrates the association between organizational strategy, organizational structure design, external environment, and organizational effectiveness. The framework analyzes the individual relationship of the three independent variables with company effectiveness and their combined contribution in multiple linear regression model. The combined contribution is evaluated through the overall multiple regression model while individual relationships are studied by partial regression analysis. This framework forms the basis for testing the four hypotheses developed in this study. H1, H2 and H3 look at the individual relationships between organizational strategy, organizational structure design and external environment and organizational effectiveness respectively. H4 looks at their joint contribution to organizational effectiveness. In this way, the framework connects the theoretical perspective with the empirical analysis conducted in this study.

Result and Discussion

Descriptive Results

The descriptive analysis was conducted to provide an overview of respondents' perceptions regarding organizational strategy (X1), organizational structure design (X2), external environment (X3), and organizational effectiveness (Y) at Rizquna Wholesale Furniture Store in Jatibarang, Indramayu. The measurement used a five-point Likert scale. The descriptive results indicate that the four variables were generally perceived positively by respondents. For organizational strategy (X1), the indicators included vision, mission, objectives and strategy formulation, motivation, organizational structure, organizational systems, functions and work groups, organizational culture, and organizational policies. The average scores of the indicators ranged from 7.93 to 8.49 and were categorized as good. The highest score was recorded for the organizational system indicator, with an average score of 8.49, while the

lowest scores were observed for vision, mission, objectives and strategy formulation and organizational culture, both with an average of 7.93. These findings indicate that respondents generally perceived the organizational strategy at Rizquna as relatively well established, although some aspects of strategic implementation and internal communication still require improvement. Organizational structure design (X2) was measured through specialization, departmentalization, chain of command, span of control, centralization and decentralization, and standardization. The descriptive results also show a generally good perception. The highest average score was found for chain of command (8.65), followed by standardization (8.53). Meanwhile, centralization and decentralization received a relatively lower score of 7.86. These results suggest that employees generally understand the formal reporting relationships and organizational procedures, although the distribution of decision-making authority and work responsibilities can still be strengthened. The external environment (X3) was measured using indicators related to competitors, new entrants, buyer bargaining power, supplier bargaining power, and substitute products. The average scores ranged from 8.09 to 9.14. The competitor indicator obtained the highest score of 9.14 and was categorized as very good, whereas substitute products received the lowest score of 8.09 and remained in the good category. These results indicate that respondents were highly aware of competitive conditions surrounding the organization. Organizational effectiveness (Y) was assessed through relevance, efficacy, efficiency, sustainability, and impact-related dimensions as represented in the questionnaire. The descriptive scores ranged from 7.98 to 8.98, with all indicators categorized as good. Sustainability obtained the highest score of 8.98, while efficiency recorded the lowest score of 7.98. Overall, organizational effectiveness at Rizquna was perceived as good, although the relatively lower efficiency score indicates that improvements in work processes and resource utilization remain relevant.

Instrument Reliability

The reliability analysis was conducted using Cronbach's Alpha. The results indicate that the measurement instruments demonstrated acceptable internal consistency. The Cronbach's Alpha values were above the commonly applied minimum criterion of 0.60 for all variables. The available SPSS outputs show Alpha values of 0.813 for organizational strategy, 0.747 for organizational structure design, 0.792 for external environment, and 0.721 for organizational effectiveness. Thus, the instruments were considered sufficiently reliable for subsequent statistical analysis. The reliability results provide support for the consistency of the questionnaire items in measuring their respective constructs. Therefore, the regression analysis could proceed using the composite scores of the four research variables.

Normality Test

A Kolmogorov–Smirnov test was conducted on the unstandardized residuals to assess the normality assumption required for the regression analysis. The test produced an Asymp. Sig. (2-tailed) value of 0.069. Because the significance value is greater than 0.05, there is no statistically significant evidence that the residuals deviate from a normal distribution. Therefore, the normality assumption was considered satisfied. This result supports the use of multiple linear regression because the residual distribution does not indicate a statistically significant departure from normality.

Multiple Regression Analysis

Multiple linear regression was employed to examine the relationships of organizational strategy (X₁), organizational structure design (X₂), and external environment (X₃) with organizational effectiveness (Y). The estimated regression equation is (1):

$$Y = 3.575 + 0.226X_1 + 0.278X_2 + 0.278X_3 \quad (1)$$

where Y represents organizational effectiveness, a represents the constant, b₁, b₂, and b₃ represent the regression coefficients of the respective independent variables, X₁ represents organizational strategy, X₂ represents organizational structure design, X₃ represents the external environment, and e represents the error term. The regression coefficients indicate the direction and magnitude of the relationship between each independent variable and organizational effectiveness, while the overall regression model is used to examine their joint contribution to organizational effectiveness. The results of the multiple linear regression analysis are presented in Table 5.

Table 5 Multiple Linear Regression Results

Variable	B	Std. Error	Standardized β	t	Sig.	95% CI Lower	95% CI Upper
Constant	3.575	4.495	-	0.795	.431	-5.517	12.667
Organizational Strategy (X ₁)	0.226	0.128	0.306	1.773	.084	-0.032	0.484
Organizational Structure Design (X ₂)	0.278	0.126	0.323	2.215	.033	0.024	0.532

External Environment (X3)	0.278	0.133	0.282	2.086	.044	0.008	0.547
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The regression coefficients show that all three independent variables have positive unstandardized coefficients. Organizational strategy has a coefficient of 0.226, organizational structure design has a coefficient of 0.278, and external environment has a coefficient of 0.278. However, statistical significance differs among the predictors.

Coefficient of Determination

The model summary indicates an R value of 0.810, demonstrating a strong overall relationship between the three independent variables and organizational effectiveness. The R^2 value is 0.656, while the Adjusted R^2 is 0.630. The R^2 value indicates that 65.6% of the variance in organizational effectiveness is statistically explained by organizational strategy, organizational structure design, and external environment in the regression model. After adjusting for the number of predictors and sample size, the explanatory proportion is 63.0%. The remaining 34.4% of the variance is associated with factors outside the variables included in the model. Therefore, the model provides substantial explanatory information within the specific organizational context of Rizquna, but it should not be interpreted as indicating that the three predictors are the only determinants of organizational effectiveness. The use of Adjusted R^2 is particularly important because the study uses a relatively small sample of 43 employees and three independent variables. The Adjusted R^2 of 0.630 indicates that the model retains a substantial explanatory contribution after accounting for model complexity.

Model Significance

The significance of the regression model was examined using the F-test. The ANOVA output produced an F-statistic of 24.817 with a significance level of $p < 0.001$. Because the significance value is below the 0.05 threshold, the null hypothesis for the model is rejected. This result indicates that organizational strategy, organizational structure design, and the external environment, when considered jointly, provide a statistically significant explanation of variation in organizational effectiveness. The results of the F-test are presented in Table 6.

Table 6 ANOVA Results

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	722.197	3	240.732	24.817	< .001
Residual	378.315	39	9.700	-	-
Total	1,100.512	42	-	-	-

The significant F-test supports H4. H4 reflects the significance of the regression model in general and not an additional direct relationship between an independent variable and organizational effectiveness. Thus, the conceptual model only has three direct relationships, X1-Y, X2-Y and X3-Y. H4 is tested by F test of multiple regression model.

Multicollinearity Diagnostics

Multicollinearity was assessed using tolerance and Variance Inflation Factor (VIF) values. The results were as follows: X1 had a tolerance value of 0.296 and VIF of 3.383; X2 had a tolerance value of 0.415 and VIF of 2.407; and X3 had a tolerance value of 0.482 and VIF of 2.076. All tolerance values exceed 0.10 and all VIF values are below 10. These results indicate that the independent variables do not exhibit problematic multicollinearity at the level that would invalidate the regression model.

Table 7 Multicollinearity Diagnostics

Independent Variable	Tolerance	VIF	Interpretation
Organizational Strategy (X1)	0.296	3.383	No problematic multicollinearity
Organizational Structure Design (X2)	0.415	2.407	No problematic multicollinearity
External Environment (X3)	0.482	2.076	No problematic multicollinearity

The diagnostics therefore support the interpretation of the individual regression coefficients because the predictors do not show evidence of excessive statistical redundancy.

Hypothesis Testing

Hypothesis testing was conducted using partial regression analysis to examine the individual relationship between each independent variable and organizational effectiveness. The analysis focused on organizational strategy (X1), organizational structure design (X2), and the external environment (X3), with the significance of each relationship evaluated based on its regression coefficient and p-value. The partial regression results are summarized in Table 8. The table

presents the regression coefficients, significance values, and hypothesis testing results for each independent variable.

Table 8 Hypothesis Testing Results

Hypothesis	Statistical Evidence	Decision
H1: Organizational strategy is positively related to organizational effectiveness.	$\beta = 0.306$; $t = 1.773$; $p = .084$	Not Supported
H2: Organizational structure design is positively related to organizational effectiveness.	$\beta = 0.323$; $t = 2.215$; $p = .033$	Supported
H3: External environment is positively related to organizational effectiveness.	$\beta = 0.282$; $t = 2.086$; $p = .044$	Supported
H4: X1, X2, and X3 jointly provide a statistically significant explanation of organizational effectiveness.	$F = 24.817$; $p < .001$	Supported

The results of the hypothesis testing as shown in Table 8, indicate that the design of the organizational structure and the external environment have statistically significant positive relationships with company effectiveness as evidenced by their positive regression coefficients and p-values less than 0.05. In contrast, organizational strategy has a positive coefficient, but is not significant at the 0.05 level, thus H1 is not supported. The F-test indicates that organizational strategy, organizational structure design, and the external environment collectively have a statistically significant explanatory power for variation in organizational effectiveness ($F = 24.817$, $p < .001$). Thus, H4 is supported. These findings distinguish the individual relationships tested by the partial regression tests from the joint significance of the regression model.

Relationship between Organizational Strategy and Organizational Effectiveness

The results show that organizational strategy has a positive but statistically non-significant relationship with organizational effectiveness. The unstandardized coefficient is 0.226 and the standardized coefficient is $\beta = 0.306$, while the t-statistic is 1.773 with $p = 0.084$. Because $p > 0.05$, H1 is not supported. The 95% confidence interval for the coefficient ranges from -0.032 to 0.484, which includes zero and is consistent with the conclusion that the partial relationship is not statistically significant. This finding requires careful interpretation. The non-significant result does not mean that organizational strategy is irrelevant to organizational effectiveness. Rather, the evidence suggests that, after organizational structure design and external environment are statistically controlled, the unique contribution of organizational strategy is insufficient to reach conventional statistical significance in this sample. The descriptive

findings provide an important context for interpreting this result. Organizational strategy was generally perceived as good, with indicator scores ranging from 7.93 to 8.49. However, the research context identifies difficulties in strategic implementation, including communication problems between supervisors and employees and incomplete understanding of work instructions. These conditions may help explain why a generally positive perception of strategy does not translate into a statistically significant unique association with organizational effectiveness.

Conceptually, a strategy becomes organizationally meaningful not merely through its formulation but through its translation into operational priorities, employee responsibilities, communication processes, and measurable activities. In the context of Rizquna, the results suggest that strategic direction may already exist, but its implementation and internal communication may not yet be sufficiently consistent to produce a statistically detectable unique contribution to organizational effectiveness. This interpretation is consistent with the argument presented in the original study that strategic planning needs to be accompanied by effective implementation. The finding is also consistent with the previous research cited in the manuscript, particularly ([Anggraeni., 2021](#)), which emphasizes the importance of implementation in translating strategic planning into organizational goal achievement. Therefore, management should not conclude that strategy is unnecessary. Instead, the finding suggests that Rizquna should focus on strengthening strategy execution through clearer communication of objectives, measurable operational targets, regular monitoring, and alignment between organizational plans and employees' daily responsibilities.

Relationship between Organizational Structure Design and Organizational Effectiveness

Organizational structure design has a positive and statistically significant relationship with organizational effectiveness. The regression coefficient is $B = 0.278$ and the standardized coefficient is $\beta = 0.323$, with $t = 2.215$ and $p = 0.033$. Because $p < 0.05$, H2 is supported. The 95% confidence interval ranges from 0.024 to 0.532, indicating a positive coefficient that does not include zero. The standardized coefficient of 0.323 is also the largest among the three predictors. Thus, among the predictors examined in this model, organizational structure design has the largest standardized regression coefficient and therefore the largest relative unique association with organizational effectiveness. This statement is based on the standardized β coefficient rather than simply comparing p-values. The finding is theoretically meaningful because organizational structure determines how tasks, authority, responsibilities, reporting relationships, and coordination mechanisms are arranged. A structure that clearly defines who performs a task, who has decision authority, and to whom employees report can reduce ambiguity and facilitate coordination. The descriptive results

show that respondents generally perceived organizational structure design as good. The chain-of-command indicator recorded the highest score at 8.65, while standardization also received a relatively high score of 8.53. Nevertheless, centralization and decentralization obtained a lower score of 7.86, indicating that decision-making arrangements may still require clarification. The research context further indicates that some employees perform more than one job or undertake tasks that are not completely aligned with their competencies. Such conditions can create role ambiguity, workload overlap, and coordination difficulties. A clearer organizational structure can help address these problems by defining job responsibilities, authority, reporting relationships, and coordination mechanisms. The finding is consistent with the structural perspective discussed in the manuscript and with the study by ([Muhamad Soleh and Mukrodi., 2025](#)), which argues that organizational structure should be aligned with organizational strategy, technology, and environmental conditions to support effectiveness and adaptability. For Rizquna, the implication is that organizational structure should be continuously reviewed according to actual operational needs. Job descriptions should be clarified, overlapping responsibilities should be reduced, reporting relationships should be explicit, and decision-making authority should be appropriately distributed. These actions can strengthen coordination and make organizational processes more predictable and efficient.

Relationship between External Environment and Organizational Effectiveness

The external environment also demonstrates a positive and statistically significant relationship with organizational effectiveness. The coefficient is $B = 0.278$, with a standardized coefficient of $\beta = 0.282$, $t = 2.086$, and $p = 0.044$. Because $p < 0.05$, H_3 is supported. The 95% confidence interval ranges from 0.008 to 0.547, which remains above zero. The result indicates that variation in external environmental conditions is associated with variation in organizational effectiveness in the Rizquna context. The external environment in this study refers to conditions and actors outside the organization, particularly competitors, new entrants, buyer bargaining power, supplier bargaining power, and substitute products. These factors represent the competitive and market conditions surrounding the organization.

The descriptive findings indicate that the external environment received relatively high scores, ranging from 8.09 to 9.14. The competitor indicator had the highest score at 9.14 and was categorized as very good, while substitute products received the lowest score at 8.09 but remained in the good category. The significant relationship can be interpreted through the contingency perspective: organizations operate within environments that impose different demands and constraints. In a wholesale furniture business, competition, customer bargaining power, suppliers, new entrants, and substitute products can affect pricing, product availability, service expectations, and operational priorities. Consequently, external environmental conditions become relevant to organizational effectiveness because they shape

the circumstances within which organizational decisions and activities are carried out. The finding is also consistent with the external-environment discussion in the manuscript, which emphasizes that environmental analysis can support organizational planning and competitiveness. The study by (Syifa Syahlatunnisa., 2025), cited in the manuscript, similarly emphasizes the importance of external-environment analysis for organizational planning and competitiveness. However, the construct should not be interpreted as organizational responsiveness itself. The external environment represents the conditions and actors surrounding Rizquna, while the organization's ability to recognize, interpret, and respond to those conditions represents a managerial capability or organizational response mechanism. Therefore, the significant X3 result indicates the relevance of external environmental conditions to organizational effectiveness, while the managerial implication is that Rizquna needs appropriate internal mechanisms to respond to those conditions. For Rizquna, this means that monitoring competitors, customer needs, supplier conditions, new market entrants, and substitute products should become a regular managerial activity. Such monitoring can provide information for decisions concerning product assortment, pricing, service quality, supplier relationships, and operational priorities.

Simultaneous Relationship of Organizational Strategy, Organizational Structure Design, and External Environment with Organizational Effectiveness

The regression model is statistically significant, with $F = 24.817$ and $p < 0.001$. Therefore, H4 is supported. The result indicates that organizational strategy, organizational structure design, and external environment jointly provide a statistically significant explanation of organizational effectiveness. The R^2 value of 0.656 indicates that 65.6% of the variance in organizational effectiveness is explained by the three predictors included in the model, while the Adjusted R^2 of 0.630 indicates that the model retains 63.0% explanatory power after adjustment for sample size and the number of predictors. This finding is important because organizational effectiveness is unlikely to depend on a single organizational dimension. Strategy provides direction, structure organizes responsibilities and coordination, and the external environment represents the conditions within which organizational decisions are implemented. The significant F-test suggests that considering these dimensions together provides a statistically meaningful representation of organizational effectiveness at Rizquna.

Nevertheless, the significant simultaneous model should not be interpreted as evidence that all three variables have statistically significant individual effects. The partial tests show that organizational structure design and external environment are significant individually, whereas organizational strategy is not statistically significant at the 5% level. Therefore, the simultaneous significance of the model reflects the combined explanatory contribution of the predictors rather than three individually significant relationships. This distinction is

important for interpreting H4 correctly. H4 is a model-level hypothesis tested using the F-statistic and should not be represented as a fourth direct arrow in the conceptual framework.

Integrated Discussion

Taken together, the results indicate that organizational effectiveness at Rizquna is associated with a combination of internal structural arrangements and external environmental conditions. The regression model explains 65.6% of the observed variance, providing relatively substantial explanatory power within this organizational setting. Among the three predictors, organizational structure design has the largest standardized coefficient ($\beta = 0.323$), followed by organizational strategy ($\beta = 0.306$) and external environment ($\beta = 0.282$). However, the significance levels show that only organizational structure design and external environment have statistically significant partial relationships with organizational effectiveness. Organizational strategy has a positive coefficient but does not reach the 0.05 significance threshold. This pattern provides an important insight into the organizational condition of Rizquna. The descriptive results show that strategy, structure, and external environment are generally perceived positively. However, positive descriptive perceptions do not automatically mean that each variable has a statistically significant unique relationship with organizational effectiveness. The regression analysis indicates that structural clarity and external environmental conditions are more directly associated with differences in organizational effectiveness within the observed sample.

The structural finding suggests that organizational effectiveness depends considerably on how work is organized and coordinated. Clear reporting relationships, appropriate specialization, standardized procedures, and appropriate decision-making arrangements can reduce ambiguity and facilitate operational coordination. This is particularly relevant to Rizquna because the organizational context includes employees who may perform multiple tasks or experience unclear task boundaries. The external-environment finding indicates that organizational effectiveness is also associated with the competitive conditions surrounding the business. Furniture wholesale businesses operate in an environment characterized by competitors, customers with bargaining power, suppliers, new entrants, and substitute products. The relatively high descriptive score for the competitor indicator suggests that competitive pressure is particularly salient for employees at Rizquna. Meanwhile, the non-significant partial relationship of organizational strategy suggests that formulation alone may be insufficient. The strategy variable was generally rated positively, but the statistical model did not identify a significant unique contribution after controlling for organizational structure and external environment. This may indicate that the practical challenge lies not necessarily in the existence of organizational plans but in how consistently those plans are communicated, implemented, monitored, and translated into employees' daily activities. Overall, the findings

support an integrated organizational perspective in which effectiveness is associated with strategic direction, structural arrangements, and environmental conditions. However, because the study uses a cross-sectional design involving all 43 employees of a single organization, these results should be interpreted as statistical relationships and explanatory contributions rather than definitive causal effects.

Managerial Implications

The findings provide several practical implications for the management of Rizquna Wholesale Furniture Store. First, management should strengthen strategy implementation rather than focusing only on strategy formulation. Organizational objectives should be translated into measurable operational targets and communicated clearly to employees. Regular monitoring should be conducted to ensure that strategic plans are reflected in daily activities. Second, management should strengthen organizational structure design. Because organizational structure design has the largest standardized coefficient ($\beta = 0.323$) and is statistically significant, attention should be given to job descriptions, specialization, reporting relationships, authority, and coordination. Double-job situations and overlapping responsibilities should be reviewed to reduce role ambiguity. Third, Rizquna should establish a more systematic external environmental monitoring process. Competitor activities, new entrants, customer bargaining power, supplier conditions, and substitute products should be monitored regularly. The information can then be used to support decisions concerning product availability, pricing, customer service, and supplier relationships. Fourth, internal communication and coordination should be improved. The findings regarding organizational strategy suggest that communication gaps may reduce the ability of employees to translate organizational objectives into consistent operational actions. Finally, organizational effectiveness should be managed as an integrated outcome. Strategy, structure, and environmental conditions should not be managed independently. Strategic objectives need to be supported by an appropriate organizational structure and informed by continuous monitoring of the external environment.

Limitations and Future Research

Several limitations should be considered when interpreting the findings. First, the study was conducted in only one wholesale furniture business, Rizquna Wholesale Furniture Store in Jatibarang, Indramayu. Consequently, the findings are context-specific and should not automatically be generalized to other organizations or business sectors. Second, the study involved 43 employees using a saturated sampling approach. Although this approach is appropriate for capturing the entire accessible population of the organization, the relatively small sample limits statistical generalization beyond the research setting.

Third, the research employed a cross-sectional design. Therefore, the results demonstrate statistical relationships and explanatory contributions but cannot establish temporal precedence or definitive causal relationships. Fourth, the model explains 65.6% of the variance in organizational effectiveness, meaning that 34.4% remains associated with factors outside the model. Future research could therefore consider additional organizational variables such as leadership, organizational culture, employee competence, motivation, organizational commitment, digital transformation, organizational learning, and organizational agility. Future studies could also employ larger samples involving several furniture retailers or wholesale businesses across different regions. Comparative studies would make it possible to assess whether the relationships identified in Rizquna remain consistent across different organizational sizes, business models, and competitive environments.

Summary of Findings

The empirical results can be summarized as follows. Organizational strategy has a positive coefficient but does not have a statistically significant partial relationship with organizational effectiveness ($B = 0.226$; $\beta = 0.306$; $p = 0.084$). Organizational structure design has a positive and statistically significant relationship with organizational effectiveness ($B = 0.278$; $\beta = 0.323$; $p = 0.033$). External environment also has a positive and statistically significant relationship with organizational effectiveness ($B = 0.278$; $\beta = 0.282$; $p = 0.044$). At the model level, organizational strategy, organizational structure design, and external environment jointly provide a statistically significant explanation of organizational effectiveness ($F = 24.817$; $p < 0.001$). The model produces $R^2 = 0.656$ and Adjusted $R^2 = 0.630$. Thus, the three variables collectively explain 65.6% of the variance in organizational effectiveness, while 34.4% remains attributable to factors outside the present model. The results indicate that organizational structure design represents the predictor with the largest standardized coefficient, while organizational strategy requires further attention particularly in terms of implementation and internal communication. External environmental conditions are also statistically relevant, highlighting the importance of systematic environmental monitoring in maintaining organizational effectiveness.

Regression Results

Multiple linear regression was employed to examine the partial and simultaneous effects of organizational strategy (X_1), organizational structure design (X_2), and the external environment (X_3) on organizational effectiveness (Y) at Rizquna Wholesale Furniture Store. The analysis was conducted using the data obtained from the respondents and processed using SPSS. The regression model produced a correlation coefficient (R) of 0.810, indicating a strong relationship between the three independent variables and organizational effectiveness. The

coefficient of determination (R^2) was 0.656, indicating that organizational strategy, organizational structure design, and the external environment jointly explain 65.6% of the variation in organizational effectiveness. The remaining 34.4% is explained by other factors outside the research model.

Table 9 Regression Model Summary

Model	R	R^2	Explained Variance	Unexplained Variance
1	0.810	0.656	65.6%	34.4%

The R^2 value of 0.656 demonstrates substantial explanatory power for a model involving organizational factors in a small-scale wholesale business. The result indicates that organizational effectiveness at Rizquna cannot be attributed to a single managerial factor. Instead, a substantial proportion of effectiveness is associated with the combined condition of strategic direction, organizational structure, and environmental responsiveness.

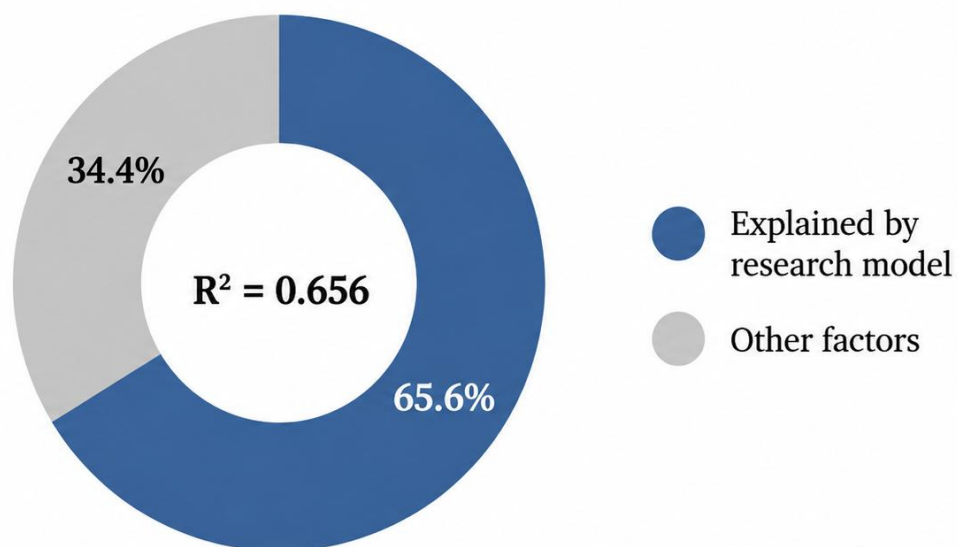


Figure 2 Contribution of the Research Model to Organizational Effectiveness

The substantial R^2 value is consistent with the argument that organizational effectiveness in SMEs is influenced by a combination of internal capabilities and responses to environmental conditions. (Yi et al., 2023) demonstrated that dynamic capabilities are related to operational capabilities and organizational agility in SMEs, while environmental uncertainty provides an important contextual condition.

Simultaneous Significance Test

The simultaneous significance test indicates that organizational strategy, organizational structure design, and the external environment jointly have a statistically significant effect on organizational effectiveness. The calculated F-value was 24.817, with a significance value of $p < 0.001$. Because $p < 0.05$, the proposed model is statistically significant.

Table 10 Simultaneous Regression Test

Test	Result	Decision
F-statistic	24.817	Significant
Significance	< 0.001	$p < 0.05$
R	0.810	Strong relationship
R ²	0.656	65.6% explained

Decision: H4 is supported.

The simultaneous finding is important because the partial effects are not identical. Organizational strategy is not statistically significant independently, whereas organizational structure design and the external environment are significant. Nevertheless, when the three predictors are considered together, they produce a statistically significant model. This indicates that organizational effectiveness should be interpreted as the outcome of an integrated organizational configuration rather than as the consequence of strategy alone. This interpretation is consistent with the contingency perspective. (Yang, Shinkle, and Goudsmit., 2022) demonstrate that external environmental uncertainty can change the effectiveness of organizational control mechanisms and their relationship with organizational performance.

Partial Hypothesis Testing

The partial regression results demonstrate different contributions among the three independent variables.

Table 11 Partial Hypothesis Testing

Hypothesis	Relationship	p-value	α	Decision
H1	Organizational Strategy → Organizational Effectiveness	0.084	0.05	Not supported
H2	Organizational Structure Design → Organizational Effectiveness	0.033	0.05	Supported
H3	External Environment → Organizational Effectiveness	0.044	0.05	Supported
H4	X1 + X2 + X3 → Organizational Effectiveness	< 0.001	0.05	Supported

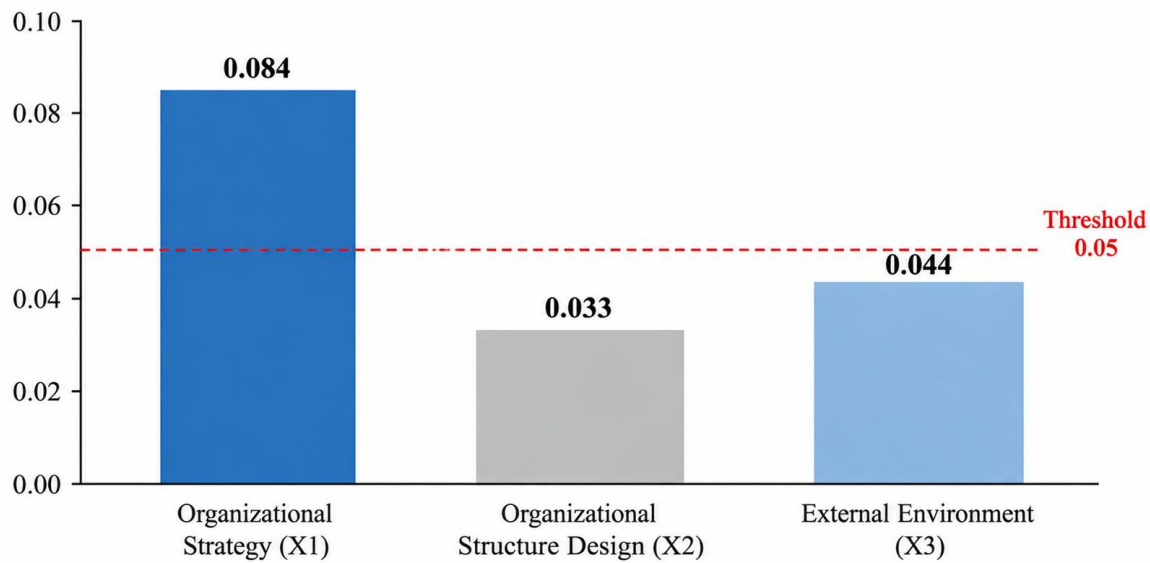


Figure 3 Statistical Significance of the Independent Variables

The graphical result clearly shows that X2 and X3 are below the 0.05 threshold, whereas X1 remains above the threshold. Therefore, organizational structure design and the external environment have significant partial effects on organizational effectiveness, while organizational strategy does not demonstrate a statistically significant independent effect.

Effect of Organizational Strategy on Organizational Effectiveness

The results show that organizational strategy does not have a statistically significant partial effect on organizational effectiveness, with $p = 0.084 > 0.05$. Consequently, H1 is not supported. This result should not be interpreted as meaning that strategy has no managerial value. Rather, the finding indicates that strategy, when considered independently, does not provide sufficient statistical evidence to explain organizational effectiveness in the Rizquna context. One possible explanation is the distinction between strategy formulation and strategy implementation. A strategy may provide organizational direction, but its effectiveness depends on whether strategic priorities are translated into operational activities and supported by appropriate organizational mechanisms. In a small wholesale business, employees may be more directly influenced by daily routines, managerial instructions, and operational coordination than by formal strategic plans. This interpretation is compatible with (Yi et al., 2023), who show that SME capabilities contribute to organizational agility through operational, managerial, marketing, and technical capabilities. The implication is that strategic resources need to be translated into organizational capabilities before they can generate stronger organizational outcomes. Therefore, the non-significant result of X1 provides an important empirical insight: having a strategy is not necessarily equivalent to

implementing a strategy effectively. For Rizquna, management should focus on translating strategic objectives into measurable operational targets, communicating them to employees, assigning responsibilities, and monitoring implementation.

Effect of Organizational Structure Design on Organizational Effectiveness

Organizational structure design has a statistically significant effect on organizational effectiveness, with $p = 0.033 < 0.05$. Therefore, H2 is supported. The result indicates that the way responsibilities, authority, reporting relationships, coordination, and decision-making are arranged has a meaningful relationship with organizational effectiveness. This is particularly relevant to Rizquna because preliminary observations indicate that some employees perform multiple tasks. A small organization may benefit from flexible work arrangements, but excessive role overlap can create ambiguity. Clear responsibilities and authority can improve coordination and reduce delays in decision-making. The finding is supported by (Mahmud, Soetanto, and Jack., 2021), who examined entrepreneurial firms and found that organizational decision-making structures are important in enabling firms to respond to external pressures. Their study also showed that decentralized structures can become particularly relevant under conditions of technological dynamism. Thus, the Rizquna finding suggests that organizational effectiveness depends not merely on having a simple structure, but on having a functional structure in which responsibilities and authority are sufficiently clear

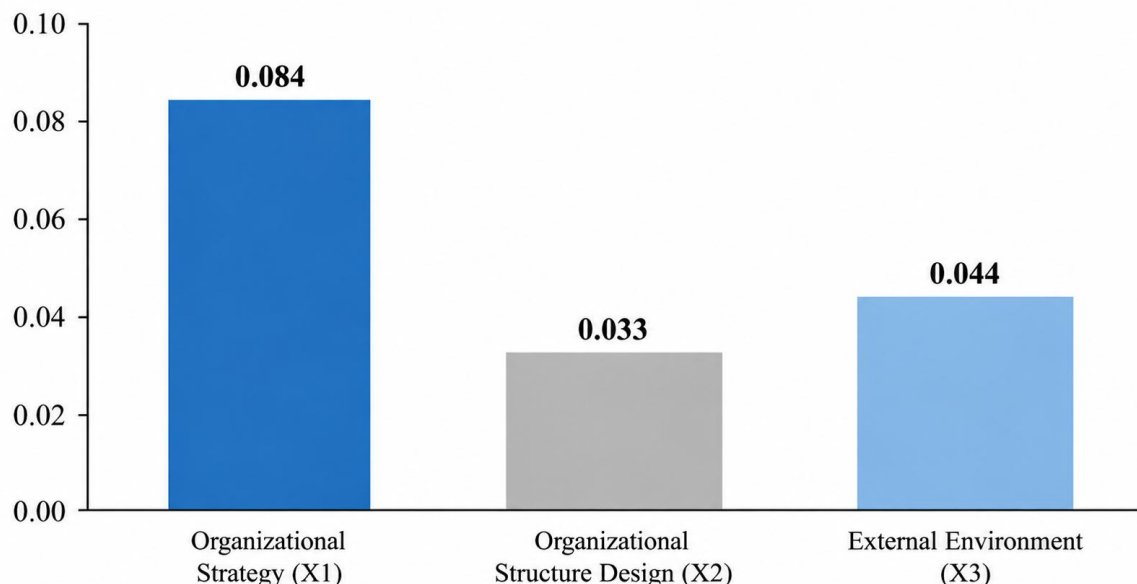


Figure 4 Relative Statistical Evidence for the Three Predictors

The structure variable produces the lowest p-value among the three predictors. Although a lower p-value does not by itself establish a larger effect size, the result provides stronger

statistical evidence for the significance of organizational structure design than for organizational strategy or the external environment.

Effect of the External Environment on Organizational Effectiveness

The external environment has a statistically significant effect on organizational effectiveness, with $p = 0.044 < 0.05$. Therefore, H3 is supported. This result indicates that organizational effectiveness is associated with the organization's ability to recognize and respond to external changes. For Rizquna, these changes include customer preferences, competitor activities, supplier conditions, substitute products, technological developments, and market demand. The finding is consistent with (Yang et al., 2022), who found that external environmental uncertainty acts as a contingency affecting the effectiveness of organizational control mechanisms and organizational performance. Their empirical study involving 203 firms demonstrated that environmental uncertainty changes the effectiveness of combinations of organizational controls. The finding is also consistent with (Yi et al., 2023), whose SME study demonstrates the importance of environmental uncertainty in understanding relationships among dynamic capabilities, organizational agility, and performance. Therefore, Rizquna should develop environmental monitoring as an ongoing organizational practice rather than treating environmental changes as occasional events. Competitor monitoring should be combined with monitoring customer preferences, substitute products, supplier conditions, technological changes, and market demand.

Integrated Discussion of the Findings

Empirical findings reveal that the three predictors are related to organizational effectiveness in different ways. Organizational strategy (X1) has a positive but statistically non-significant relationship to organizational effectiveness ($\beta = 0.306$; $p = 0.084$), and organizational structure design (X2) has a statistically significant positive relationship ($\beta = 0.323$; $p = 0.033$). 4.3. External Environment and Organizational Effectiveness The external environment (X3) is also statistically significant and positively related to organizational effectiveness ($\beta = 0.282$; $p = 0.044$). Moreover, the F-test shows that X1, X2 and X3 together explain the organizational effectiveness statistically significantly ($F = 24.817$; $p < 0.001$).

The pattern has a significant theoretical implication for understanding organizational effectiveness at Rizquna. The findings suggest that organizational strategy has less direct association with company effectiveness than organizational structure design and environmental conditions, when controlling for the effects of other variables. The finding for organizational strategy does not mean that strategy is not important to the organization, but rather that its independent relationship to organizational effectiveness was not statistically significant in the regression model. Organizational structure design, especially the

transparency of responsibilities, specialization, procedures and decision-making arrangements, may thus be particularly important for how employees coordinate and perform their work. Likewise, external environmental factors, such as customers, competitors, suppliers, technology, regulations, market conditions, and substitute products, are statistically related to organizational effectiveness.

The combined model explained the variance of $R^2=0.656$ which means that the three predictors combined can explain 65.6% of the total variance in organizational effectiveness and the remaining 34.4% is explained by other variables outside the model. This finding shows that the level of organizational effectiveness is not dependent on one organizational dimension but is studied in relation to several internal and external factors at the same time. The results also suggest that positive descriptive perceptions of organizational strategy, structure and the external environment should not be taken as automatically signifying statistically significant individual relationships, as shown by the non-significant partial result for organizational strategy. The remaining 34.4% provides a basis for future research to explore other factors that may be associated with company effectiveness. Some of these variables include leadership, organizational culture, employee competence, motivation, organizational commitment, technology adoption, financial resources, digital transformation and organizational agility. This study is based on a cross-sectional study with all 43 employees of one organization, so the results should be interpreted as statistical relationships and explanatory contributions and not as causal effects.

Comparison with Previous Studies

The findings of the current study are compared with evidence from previous research to identify areas of consistency and differences across the three organizational dimensions. Table 12 summarizes the comparison between the current findings, previous evidence, and their corresponding interpretations. The comparison focuses on organizational strategy, organizational structure design, external environment, and the integrated contribution of the three variables to organizational effectiveness.

Table 12 Comparison of Current Findings with Previous Research

Dimension	Current Study	Previous Evidence	Interpretation
Organizational Strategy	Not significant ($p = 0.084$)	Strategic outcomes depend on implementation and organizational capabilities	Strategy alone may be insufficient
Organizational Structure	Significant ($p = 0.033$)	Structural arrangements influence	Structure provides an implementation mechanism

		organizational adaptation	
External Environment	Significant ($p = 0.044$)	Environmental uncertainty affects organizational control and performance	Environmental responsiveness is important
Integrated Model	Significant ($p < 0.001$; $R^2 = 0.656$)	SME performance is influenced by interconnected capabilities and environmental conditions	Effectiveness is multidimensional

The findings should therefore not be interpreted as contradicting previous studies. Instead, they provide a contextual qualification. (Yi et al., 2023) emphasize organizational capabilities and agility in SMEs, while (Yang et al., 2022) demonstrate the contingent role of environmental uncertainty. The present study extends this perspective by showing that, in the specific context of a small regional wholesale furniture business, organizational structure design and environmental responsiveness demonstrate significant partial relationships with organizational effectiveness, whereas organizational strategy does not.

Research Model Interpretation

The empirical model can therefore be interpreted as follows, research Model Interpretation
The empirical model can therefore be interpreted as follows: the proposed relationships among the variables are empirically supported, with organizational structure design and the external environment showing significant effects on organizational effectiveness, while organizational strategy demonstrates a weaker independent effect.

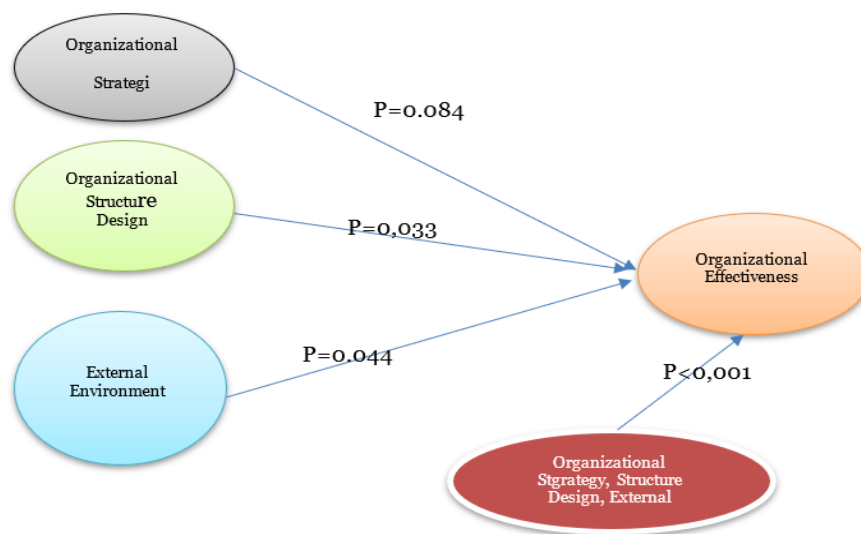


Figure 5 Research results: Empirical model

The model suggests that Rizquna's organizational effectiveness is achieved through a combination of structural clarity and environmental responsiveness, while strategy functions more effectively when it is translated into operational activities through those organizational mechanisms.

Practical Implications

The empirical results suggest that management should concentrate on three practical actions. First, improve execution of strategy. Current strategies should be translated into operational goals that can be measured and clearly communicated to employees so that strategic goals are incorporated into daily tasks. More focus should be given to implementation, monitoring and evaluation than to the elaboration of more strategic documents. Second, better structure the organization. Clear definition of job descriptions, authority, reporting relationships, task allocation and coordination mechanisms should be in place to facilitate effective coordination of work and decision-making. The finding agrees with the significant relationship found between organizational structure design and organizational effectiveness. Third, strengthen the environmental monitoring; Management should monitor competitors, customers, suppliers, substitute products, technological developments and market demand on a regular basis and incorporate relevant information in operational decision making. This recommendation indicates the importance of the relationship between the external environment and the effectiveness of the organization. Together, these provide pragmatic directions to improve the effectiveness of an organization. Organizational strategy is more meaningful when supported by strong implementation mechanisms.

Summary of Hypothesis Testing

The hypothesis testing results provide a summary of the statistical evidence for the proposed relationships between the independent variables and organizational effectiveness. Based on the significance level of $\alpha = 0.05$, H1 is not supported because the p-value is 0.084, while H2 and H3 are supported with p-values of 0.033 and 0.044, respectively. H4 is also supported based on the joint significance of organizational strategy, organizational structure design, and the external environment, with $p < 0.001$. The final hypothesis decisions are presented in Table 13.

Table 13 Final Hypothesis Decisions

Hypothesis	Statement	p-value	Result
H1	Organizational strategy affects organizational effectiveness	0.084	Rejected / Not supported
H2	Organizational structure design affects organizational effectiveness	0.033	Accepted / Supported
H3	External environment affects organizational effectiveness	0.044	Accepted / Supported
H4	Organizational strategy, structure design, and external environment jointly affect organizational effectiveness	<0.001	Accepted / Supported

Note: $\alpha = 0.05$.

The empirical evidence supports H2, H3, and H4, while H1 is not supported. The model's R^2 of 65.6% indicates substantial explanatory power, but the remaining 34.4% also demonstrates the need to investigate other determinants of organizational effectiveness in future research.

Integrated Analysis: Quantitative Evidence, Respondent Responses, Researcher Logic, and Empirical Comparison

To provide a more comprehensive interpretation of the findings, the discussion is developed from four complementary perspectives: quantitative analysis, respondent-response analysis, researcher logic, and empirical comparison. This approach is intended to avoid interpreting statistical significance in isolation and to connect the statistical results with the organizational conditions reflected in the respondents' assessments.

Quantitative Analysis

The quantitative results indicate that organizational strategy, organizational structure design, and the external environment collectively contribute significantly to organizational effectiveness. The multiple regression model is statistically significant ($F = 24.817$, $p < 0.001$), with an R^2 of 0.656 and an adjusted R^2 of 0.630. This means that the three explanatory variables collectively account for 65.6% of the variance in organizational effectiveness within the observed organization. The remaining 34.4% is associated with other factors that were not included in the model. However, the partial regression results reveal different contributions among the three variables. Organizational strategy has a positive regression coefficient ($B = 0.226$; $\beta = 0.306$), but its partial relationship with organizational effectiveness is not statistically significant ($t = 1.773$; $p = 0.084$). Organizational structure design has a positive and statistically significant relationship with organizational effectiveness ($B = 0.278$; $\beta = 0.323$; $t = 2.215$; $p = 0.033$). Similarly, the external environment has a positive and statistically

significant relationship with organizational effectiveness ($B = 0.278$; $\beta = 0.282$; $t = 2.086$; $p = 0.044$). These findings indicate that statistical significance should be distinguished from the magnitude of the coefficient. Organizational strategy has a standardized coefficient of 0.306, which is not statistically significant at the 5% level, whereas organizational structure design has the largest standardized coefficient ($\beta = 0.323$) and is statistically significant. Thus, organizational structure design shows the largest relative unique association with organizational effectiveness in this model, but this should not automatically be interpreted as proof of the largest practical effect. Practical significance requires additional evidence, such as effect-size analysis, longitudinal evidence, or comparison across organizations. The regression results therefore provide an important distinction: the three variables are jointly relevant to the organizational-effectiveness model, but their individual statistical contributions are not equivalent. This distinction is important because a significant F-test does not imply that every independent variable must be individually significant.

Analysis of Respondent Responses

The respondent-level descriptive results provide contextual support for interpreting the regression findings. The assessment of organizational strategy shows relatively favorable responses across the measured indicators, with indicator scores ranging from 7.93 to 8.49. The highest assessment concerns the organizational system, whereas relatively lower assessments are found in the formulation of vision, mission, objectives, and strategy as well as organizational culture. This pattern is important for understanding why organizational strategy may not produce a statistically significant partial relationship with organizational effectiveness. The respondents generally perceive the strategic dimension positively, but relatively positive perceptions of strategy do not necessarily mean that variation in strategy is sufficient to explain differences in effectiveness after organizational structure and external environmental factors are statistically controlled. In other words, a strategy may be recognized by employees without its measured variation becoming a statistically distinguishable determinant of effectiveness in the regression model. The organizational structure results show indicator scores ranging from 7.86 to 8.65. Chain of command receives the highest assessment, followed by standardization, while centralization/decentralization receives the relatively lowest assessment. This pattern is consistent with the significant regression result for organizational structure design. The findings suggest that formal arrangements concerning authority, reporting relationships, coordination, and work procedures are particularly relevant to how employees perceive organizational effectiveness.

The external-environment indicators receive comparatively favorable assessments, ranging from 8.09 to 9.14. Competition receives the highest assessment, while substitute products receive the relatively lowest assessment. This result is consistent with the significant

relationship between the external environment and organizational effectiveness. The relatively high assessment of competitive conditions indicates that external market forces are visible to employees and are relevant to the organizational context in which effectiveness is achieved. The organizational-effectiveness indicators range from 7.98 to 8.98. Sustainability receives the highest assessment, whereas efficiency receives the relatively lowest assessment. This finding provides additional context for the regression results because effectiveness is not represented solely by short-term performance but also by the organization's ability to maintain its operations and achieve organizational objectives. Nevertheless, respondent perceptions should be interpreted as contextual evidence rather than direct proof of causality. The questionnaire captures employees' assessments of the measured constructs, but it does not directly measure implementation quality, communication effectiveness, leadership behavior, employee motivation, or other possible mechanisms.

Analysis Based on Researcher Logic

From a managerial and organizational perspective, the difference between organizational strategy and organizational structure design can be logically explained by the distinction between determining direction and organizing execution. Strategy describes the direction and objectives that the organization intends to pursue, whereas organizational structure determines how responsibilities, authority, coordination, and reporting relationships are arranged to carry out organizational activities. The non-significant result for organizational strategy therefore should not be interpreted as evidence that strategy is irrelevant. Rather, within the present regression model, the unique contribution of organizational strategy is not statistically distinguishable from zero at the 5% significance level after organizational structure design and external environment are considered simultaneously. One possible interpretation is that strategic direction may need to be translated into organizational routines and role arrangements before it becomes reflected in organizational effectiveness. However, this is a theoretical interpretation rather than an empirically tested mechanism in the present study. The study did not directly measure strategy implementation, internal communication, leadership commitment, or the degree of employee involvement in strategic execution. Therefore, these factors should be considered potential explanations for future investigation rather than established causes of the non-significant result. The significant relationship between organizational structure design and organizational effectiveness is logically consistent with the operational nature of the organization. Employees interact directly with work assignments, authority relationships, reporting procedures, coordination mechanisms, and standardized processes. Consequently, differences in how these structural arrangements are experienced may be more immediately reflected in employees' perceptions of organizational effectiveness. The significant relationship between the external environment

and organizational effectiveness can also be interpreted logically. A wholesale furniture business operates within a competitive environment involving customers, competitors, suppliers, substitute products, and other external pressures. Changes in these conditions can influence operational priorities and managerial decisions. The present findings indicate that external environmental conditions are statistically associated with organizational effectiveness, although the study does not directly test the internal adaptation mechanism through which such environmental conditions affect effectiveness. Thus, the overall logic of the findings suggests that organizational effectiveness at Rizquna may be understood through the interaction between organizational direction, internal structural arrangements, and external conditions. However, the statistical evidence indicates that structural and environmental dimensions have clearer partial relationships with effectiveness than organizational strategy in the current model.

Empirical Analysis and Comparison with Previous Research

The findings should also be interpreted in relation to previous empirical studies. ([Anggraeni., 2021](#)), for example, reported a correlation coefficient of 0.641 between strategic planning and the effectiveness of achieving organizational goals in a government subdistrict context. The present study does not reproduce this result because organizational strategy has a positive but statistically non-significant partial relationship with organizational effectiveness ($\beta = 0.306$; $p = 0.084$). This difference does not necessarily indicate a contradiction between the studies. Anggraeni's study examined strategic planning and organizational goal achievement in a government administrative context, whereas the present study examines organizational strategy within a private wholesale furniture business. Differences in organizational context, respondent characteristics, construct operationalization, sample size, and analytical model may produce different statistical patterns. In addition, the present analysis simultaneously controls for organizational structure design and external environment, whereas a bivariate relationship may capture associations that overlap with other organizational factors.

The finding for organizational structure design is broadly consistent with the argument presented by ([Soleh and Mukrodi., 2025](#)), who emphasize that organizational structures aligned with strategy, technology, culture, and environmental conditions can support organizational effectiveness and adaptability. The present study extends this discussion by providing quantitative evidence that organizational structure design has a statistically significant partial relationship with organizational effectiveness ($\beta = 0.323$; $p = 0.033$).

The external-environment finding is also broadly compatible with ([Syifa Syahlatunnisa., 2025](#)), who emphasizes the importance of external factors such as economic conditions, technology, and competition in strategic decision-making and organizational competitiveness.

The present study contributes a more specific empirical perspective by showing that the external environment has a statistically significant partial relationship with organizational effectiveness ($\beta = 0.282$; $p = 0.044$). At the same time, the empirical comparison indicates an important difference between conceptual arguments and statistical evidence. Previous studies may establish that strategy, structure, or external environmental factors are theoretically or empirically relevant, but the present study demonstrates that their contributions are not necessarily identical within one integrated regression model. The non-significant partial result for organizational strategy is therefore an important finding rather than a research failure. It indicates that the relationship between strategy and organizational effectiveness may be context-dependent and may overlap with other organizational dimensions. Overall, the empirical evidence suggests that organizational effectiveness at Rizquna Wholesale Furniture Store is better understood as a multidimensional organizational phenomenon. Organizational structure design and external environmental conditions demonstrate statistically significant partial relationships, while organizational strategy contributes positively but does not reach conventional statistical significance. The simultaneous model nevertheless remains significant, indicating that the three dimensions collectively provide substantial explanatory information for organizational effectiveness.

Synthesis of the Four Analytical Perspectives

The four analytical perspectives produce a consistent interpretation of the findings. Quantitatively, the regression model is significant and explains 65.6% of the variance in organizational effectiveness. From the respondent perspective, employees generally provide favorable assessments of strategy, structure, external environment, and effectiveness, although some indicators receive relatively lower assessments than others. From the researcher's logical perspective, structure may have a more immediate connection with day-to-day organizational functioning, while strategy represents a broader direction whose contribution may depend on processes that were not directly measured. From the empirical perspective, the findings are partly consistent with previous research but also demonstrate contextual differences, particularly regarding the role of organizational strategy.

Therefore, the central finding of this study is not that organizational strategy is unimportant, but that organizational strategy does not show a statistically significant unique relationship with organizational effectiveness in the present organizational context after organizational structure design and external environment are considered simultaneously. Conversely, organizational structure design and external environment demonstrate statistically significant partial relationships with effectiveness. This interpretation provides a more balanced explanation of the findings and avoids equating statistical significance with managerial importance. The findings consequently support a contingency-oriented interpretation of

organizational effectiveness. The effectiveness of an organization cannot be understood from strategic direction alone; it is also associated with how organizational roles and authority are structured and how the organization operates within its external environment. Nevertheless, because the study uses a cross-sectional design involving 43 employees from a single organization, these interpretations should be treated as context-specific empirical evidence rather than universal causal conclusions.

Conclusions

Based This study examined the relationships of organizational strategy, organizational structure design, and the external environment with organizational effectiveness at Rizquna Wholesale Furniture Store in Jatibarang, Indramayu, Indonesia. The findings provide evidence that the three variables collectively form a statistically significant regression model, with $F(3,39) = 24.817$, $p < 0.001$, and an R^2 of 0.656. Thus, the model explains 65.6% of the variance in organizational effectiveness within the organization studied. The partial results, however, show different patterns across the predictors. Organizational strategy (X_1) is not statistically significant in its partial relationship with organizational effectiveness ($B = 0.226$, $\beta = 0.306$, $t = 1.773$, $p = 0.084$); therefore, H_1 is not supported. In contrast, organizational structure design (X_2) has a positive and statistically significant partial relationship with organizational effectiveness ($B = 0.278$, $\beta = 0.323$, $t = 2.215$, $p = 0.033$), supporting H_2 . Similarly, the external environment (X_3) has a positive and statistically significant partial relationship with organizational effectiveness ($B = 0.278$, $\beta = 0.282$, $t = 2.086$, $p = 0.044$), supporting H_3 . Among the predictors, X_2 has the largest standardized coefficient, although this should be interpreted as the largest relative association in this regression model rather than as definitive evidence of a stronger practical or causal effect. These findings indicate that organizational effectiveness at Rizquna is statistically associated with the combined presence of strategic, structural, and environmental dimensions, while their individual contributions are not equivalent. In particular, the non-significant partial result for organizational strategy suggests that its unique contribution, after accounting for organizational structure design and the external environment, is not statistically distinguishable from zero at the 5% significance level. This result should not be interpreted as evidence that organizational strategy is unimportant, but rather as a finding specific to the statistical model and organizational context examined. The study has important limitations. The research used a census (saturated sampling) of all 43 employees within a single wholesale furniture organization. Consequently, the findings represent the organizational context examined and should not be generalized automatically to other furniture businesses, organizations, sectors, or geographic areas. In addition, the cross-sectional design and regression analysis identify statistical relationships rather than establishing causal effects. Future studies could examine multiple organizations

with larger and more diverse samples and use longitudinal or comparative designs to assess whether the observed relationships remain consistent across different organizational contexts. The study concludes that the regression model as a whole is statistically significant, while the partial hypotheses produce differentiated results: H1 is not supported, whereas H2 and H3 are supported. This distinction provides a more precise interpretation of the evidence and aligns the conclusion with the statistical results and the study's contextual limitations.

Managerial Implications

The findings provide several important implications for managerial practice. First, the company needs to strengthen the implementation of its organizational strategy by improving communication and coordination between management and employees. Strategic objectives should be communicated clearly so that employees at different organizational levels understand their responsibilities and can implement organizational priorities consistently. Second, the company should enhance its organizational design by establishing a clearer division of roles and responsibilities. Job assignments should be aligned with employees' competencies to minimize role overlap and multiple job assignments (double jobs). A more appropriate distribution of responsibilities is expected to improve work coordination, operational efficiency, and overall organizational effectiveness. Third, the organization needs to strengthen its capacity to respond to the external environment. Continuous monitoring of competitors, market developments, and changes in customer preferences is essential to maintaining organizational competitiveness. Greater organizational flexibility, supported by continuous innovation and improvements in service quality, can help the company respond more effectively to changes in the business environment.

Recommendations

Based on the findings, Rizquna Wholesale Furniture Store, Jatibarang, Indramayu, is recommended to prioritize the effective execution of organizational strategies by strengthening communication between managers and employees. Clear communication can ensure that organizational objectives are properly understood and translated into consistent actions. The company should also improve its organizational design through a more systematic division of labor based on employee competencies and job responsibilities. This approach can reduce overlapping duties, improve operational efficiency, and support better organizational performance. In addition, the company should continuously develop innovation and service quality while monitoring changes in market conditions, customer needs, and competitive pressures. For future research, researchers are encouraged to examine additional variables that may influence organizational effectiveness, including leadership style, organizational culture, employee competence, work motivation, organizational

commitment, and digital transformation. Incorporating these factors could provide a broader explanation of organizational effectiveness and potentially increase the explanatory power of future research models.

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