
Impact of Business Intelligence Practices on Organisational Performance: The Mediating Role of Organisational Agility

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A B S T R A C T

Financial institutions are increasingly relying on Business Intelligence (BI) solutions in today's fast-paced corporate world to enhance decision-making, operational efficiency, and competitive advantage. This study investigates the impact of BI practices on organisational performance, with organisational agility serving as a mediating variable, in financial institutions operating in the Batticaloa District of Sri Lanka. Limited empirical evidence exists regarding the mechanisms through which BI practices affect organisational performance, particularly in developing economies. A structured questionnaire was used to collect primary data from managerial-level staff at selected financial institutions using stratified sampling technique as part of a quantitative research approach. To investigate the suggested associations and mediation effects, the collected data were examined using appropriate statistical techniques, such as correlation and multiple regression analyses. The findings reveal that BI practices and organisational agility are significantly and positively correlated with organisational performance. Furthermore, organisational agility was found to partially mediate the relationship between BI practices and organisational performance, showing that organizations with higher levels of agility can transform BI insights into improved outcomes more effectively. The research emphasises the importance of investing in advanced BI systems and developing agile organisational capabilities to enhance financial and operational performance. The findings propose practical implications for managers and policymakers looking to improve organisational effectiveness through data-driven strategies.

Keywords: Business Intelligence (BI), Financial Institutions, Organisational Agility, Organisational Performance, Sri Lanka

1. Introduction

In the dynamic global business environment, organizations operate in an environment characterized by rapid technological shifts, intense competition, data proliferation, and increasing uncertainty. Across industries, decision-making has become increasingly data-driven, compelling organizations to adopt advanced analytical tools to enhance efficiency,

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competitiveness, and performance (Chen et al., 2012). BI has emerged as a critical organisational capability that enables firms to collect, integrate, analyze, and transform vast amount of data into actionable insights for strategic and operational decision-making (Sharda et al., 2018). In the financial services sector, where accuracy, timeliness, and risk management are paramount, BI practices play a vital role in improving organisational performance by enhancing forecasting, fraud detection, customer analytics, and regulatory compliance. However, merely adopting BI systems does not guarantee superior performance; organizations must also be able to respond swiftly and effectively to environmental changes, underscoring the importance of organisational agility (Teece et al., 2016). Agility refers to an organization's capability to sense environmental changes, make timely decisions, and reconfigure resources to seize emerging opportunities and mitigate threats (Tallon & Pinsonneault, 2011). Khawaldeh and Alzghoul (2024) showed that enhancing information accessibility and knowledge use within businesses positively affected organisational performance and firm agility. In a similar vein, Zanke and Sontakke (2024) highlighted that companies using cutting-edge BI tools outperform those using conventional decision-making techniques in terms of operational effectiveness and strategic alignment. However, the importance of organisational competencies in converting technological investment into performance outcomes is highlighted by an industry analysis by ITPro (2026), which found that only about 20% of firms capture approximately 75% of BI-related financial gains.

Recent studies have increasingly emphasized the strategic importance of BI and organisational agility in enhancing organisational outcomes in the financial sector. However, much of the existing literature has primarily focused on developed economies and large-scale organizations, while limited empirical attention has been given to developing countries and regional financial institutions (Probojakti et al., 2024). Although prior research confirms that BI capabilities contribute to enhanced decision making, information processing and improved organisational performance (Chen et al., 2012), the mechanisms through which these capabilities generate performance outcomes remain insufficiently explored, particularly in relation to organisational agility as a mediating capability. Existing studies largely examine direct relationships between BI and organisational performance, while comparatively fewer studies investigate how organizations transform BI insights into operational and strategic responsiveness ultimately leading to improved organisational performance making the first research gap concerning the limited examination of organisational agility as a mechanism linking BI practices with organisational performance.

Furthermore, Malawani et al. (2025) identified the need for further research on BI and organisational agility across different sectors and geographical contexts in developing and industrially advanced countries suggesting the need for empirical evidence from under-researched geographical and institutional context, particularly among developing country setting. In the Sri Lankan context, the financial sector operates in a highly volatile and challenging environment shaped by economic fluctuations, policy reforms, competitive pressures, and rapidly changing consumer behaviors. Economic instability, inflationary pressures, digital transformation initiatives, and regulatory reforms have intensified the need for financial institutions to enhance decision-making quality and operational resilience (Central Bank of Sri Lanka, 2022). In such a context, organisational agility becomes a key success factor for financial institutions striving to remain competitive and sustainable (Tallon & Pinsonneault, 2011). BI supports this agility by providing real-time insights into customer behavior, credit risks, market trends, and operational bottlenecks, thereby enabling timely and effective responses (Park et al., 2017; Yasir et al., 2021). Specifically, at the local level, the Batticaloa District presents a unique and under-researched setting for examining the interplay

between the study constructs. Financial institutions operating in Batticaloa face region-specific challenges, including post-conflict economic recovery, uneven digital adoption, limited market size, and diverse customer needs (Herath & Silva, 2019). Therefore, understanding how BI practices influence organisational performance through organisational agility is both academically relevant and practically essential for Sri Lankan financial institutions.

Further, the research on financial institutions in South Asia has a significant contextual gap. The majority of empirical research has been carried out in technologically sophisticated banking environments, such as Indonesia, Jordan, and the European financial industry, and, as a result, the findings cannot be generalized to developing regional contexts, such as Sri Lanka's Batticaloa District (Rani et al., 2024). The efficacy of BI techniques may be impacted by Sri Lankan financial institutions' ongoing struggles with digital integration, technological preparedness, competent human resources, and organisational flexibility. As a result, it remains unclear whether current theoretical models can be applied to regional financial institutions in Sri Lanka (Jayamaha & Mula, 2011). The absence of agility can adversely affect key performance outcomes such as service quality, customer satisfaction, and profitability (Wamba et al., 2017). Furthermore, earlier research has identified several limitations in current models: instead of focusing on BI techniques and their behavioural effects on organisational agility, several studies rely on broader digital transformation notions (Probojakti et al., 2024). Therefore, the present study addresses this absence of context-specific evidence representing a significant theoretical, empirical, and practical gap in the existing literature by examining how BI practices can be translated into organisational performance through organisational agility.

Accordingly, the researchers' objectives were to identify the relationships, and the impact among the study variables and also to determine the mediating role of organisational agility in the relationship between BI practices and organisational Performance in financial institutions in the Batticaloa District. The current study seeks to fill this gap by empirically investigating the impact of BI practices on organisational performance and examining the mediating role of organisational agility, thereby contributing to theory development and practical improvement of data-driven management in the Sri Lankan financial sector.

2. Literature Review

2.1 Business Intelligence and Organisational Performance

A large body of research has demonstrated that BI contributes positively to organisational performance by improving decision quality, operational efficiency, and strategic alignment. BI applications in the financial sector include credit risk analysis, fraud detection, customer relationship management, regulatory compliance, and investment decision support (Gunasekaran et al., 2018). For instance, BI tools help banks identify high-risk borrowers through predictive analytics and monitor customer portfolios in real time (Sharma et al., 2014). Organisational performance reflects how well an organization converts inputs such as capital, technology, and human resources into desirable outputs like profitability, innovation, customer satisfaction, and long-term growth (Kaplan & Norton, 1996). Wixom and Watson (2010) found that organizations that integrate BI into their strategic and operational decision-making processes achieve higher returns on investment and greater efficiency. In the financial-services sector, Chen and Siau (2012) found that BI applications enhance customer satisfaction, fraud detection, and risk management. Jayamaha and Mula (2011) highlighted that even in developing economies such as Sri Lanka, BI adoption improves financial reporting accuracy and competitive responsiveness. However, they cautioned that the absence of

managerial and technical readiness limits overall benefits, suggesting that BI's impact on performance is not purely technological. Recent evidence has deepened this view.

H1: BI practices have a positive and significant effect on Organisational Performance in financial institutions in Batticaloa District.

2.2 Business Intelligence and Organisational Agility

Organisational agility refers to an organization's capacity to sense environmental change, make decisions rapidly, and reconfigure resources to seize opportunities or mitigate threats (Tallon & Pinsonneault, 2011). Agility is not merely operational speed but a higher-order dynamic capability that combines flexibility, responsiveness, and innovation to maintain competitiveness (Sambamurthy et al., 2003; Teece et al., 1997). Empirical studies also demonstrate that BI enhances organisational agility by improving information availability, analytical capability, and coordination across business functions. (Park et al., 2017) conceptualized BI as an "information-driven enabler of agility," identifying three forms: sensing, decision-making, and acting agility. Their findings revealed that firms with advanced BI systems were better able to detect market trends and implement changes swiftly. In the financial industry, BI-driven agility has been shown to improve service responsiveness and regulatory compliance. Chen and Siau (2012) noted that banks that use BI to monitor customer data and market indicators demonstrate greater flexibility in product design and credit risk management. However, studies in developing contexts reveal mixed outcomes: Jayamaha and Mula (2011) observed that Sri Lankan institutions often underutilize BI because of limited training and integration, resulting in lower agility. Accordingly, the second hypothesis has been created.

H2: BI practices have a positive and significant effect on Organisational Agility in financial institutions in Batticaloa District.

2.3 Organisational Agility and Performance

The link between organisational agility and performance is well established in management literature. Agility enables firms to align their operations with environmental changes, leading to higher efficiency, innovation, and customer satisfaction (Sambamurthy et al., 2003; Teece et al., 1997). Empirical evidence indicates that agile organizations outperform their less agile counterparts, particularly in turbulent industries. In the financial sector, agility enhances not only profitability but also regulatory adaptability and customer satisfaction. Jayamaha and Mula (2011) reported that Sri Lankan banks that can quickly integrate regulatory requirements into BI systems achieve stronger compliance and better service performance. Thus, agility functions as a bridge between technological adoption and realized business value.

H3: Organisational Agility has a positive and significant effect on Organisational Performance in financial institutions in Batticaloa District.

2.4 Mediating Role of Organisational Agility

Recent empirical research has increasingly recognized organisational agility as a mediating variable linking BI capabilities and firm performance. This mediating role captures the behavioural transformation that occurs when data insights are effectively acted upon (Park, El Sawy and Fiss, 2017; Yasir et al., 2021). The premise is that BI systems enhance information processing, but agility determines how those insights translate into strategic and operational outcomes. Evidence from developing economies aligns with this theoretical reasoning. Studies such as those by Jayamaha and Mula (2011) revealed that, while Sri Lankan institutions adopt BI for reporting and compliance, performance gains remain limited because decision-making processes are slow and inflexible. The lack of agility undermines the potential benefits of BI.

Consequently, cultivating agile cultures and processes is essential for converting BI insights into tangible results. Collectively, the empirical literature indicates that BI positively affects performance both directly and indirectly through organisational agility. In dynamic contexts like the financial sector, where uncertainty and data intensity are high, agility serves as a strategic enabler, transforming technological potential into measurable outcomes.

H4: Organisational Agility mediates the relationship between BI practices and Organisational Performance in financial institutions in Batticaloa District.

The researcher's comprehension of the connections among the study variables is reflected in the conceptual framework below.

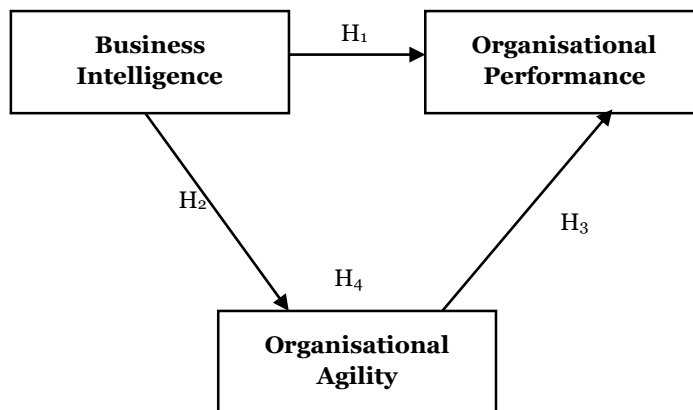


Figure 1: Conceptual Framework

Source:(Park et al., 2017; Bach et al., 2018)

3. Methodology

Researchers adopt a positivist research philosophy. Since this study aims to examine relationships and causal effects among BI practices, organisational agility, and organisational performance using structured questionnaires and quantitative analysis, the positivist philosophy is most appropriate. Researchers' use a deductive research approach, in which hypotheses are developed based on existing theories and prior empirical studies, and then tested using collected data (Saunders et al., 2019). This study employs a survey research strategy, widely used in management and organisational research to collect standardized data from a large population (Bryman, 2016). The study population comprises employees of financial institutions in the Batticaloa District of Sri Lanka. This includes staff from commercial banks, seven state and private banks, six licensed finance companies, and other registered financial service providers such as five insurance companies and one cooperative operating within the district. Accordingly, the population of this study comprises 1,493 employees working in the selected financial institutions in the Batticaloa District (Refer Table I). This study uses stratified sampling to select respondents from the selected financial institutions in the Batticaloa District because the study population consisted of employees working across different financial institutions and these groups may differ in their organisational characteristics and exposure to BI practices. Stratification therefore enabled the researchers to ensure that employees from the relevant groups were adequately represented in

the sample. The population was first divided into the identified strata (Banks, Finance companies, Insurance companies, and cooperatives) after which the required sample was proportionately allocated to each stratum based on its share of the total population. Using the Krejcie & Morgan (1970) sample size determination table, a population of 1,493 requires a minimum sample size of 306 respondents to achieve a 95% confidence level with an acceptable margin of error. Accordingly, a sample of 306 employees was considered adequate to ensure representativeness and statistical reliability for hypothesis testing and multivariate analysis.

Table 1: Sampling Framework of the Study

Sector	Name of the Finance Company	Number of Employees	Percentage	Sample Size
Banks	<i>Public Banks</i>			
	BOC	198	13.26	41
	People's Bank	151	10.11	31
	NSB	79	5.29	16
	RDB	91	6.09	19
	<i>Private Banks</i>			
	Sampath Bank	99	6.63	20
	HNB	72	4.82	15
	Commercial Bank	58	3.88	12
	Total	748	50.10	153
Finance Companies	Commercial Credit	94	6.29	19
	LB Finance	89	5.96	18
	LOLC	82	5.49	17
	Wealth Coop	86	5.76	18
	AFC	68	4.55	14
	BRAC Lanka	72	4.82	15
	Total	491	32.88	101
Insurance Companies	Sri Lanka Insurance	19	1.27	4
	Janashakthi Insurance	24	1.61	5
	Allianz Insurance	11	0.74	2
	Amana Takaful	27	1.81	6
	Ceylinco Insurance	34	2.28	7
	Total	115	7.70	24
Cooperative	CRB	139	9.31	28
	Total	139	100.00	28
Total		1493	100.0	306

This study employs primary data collection as its primary method to obtain relevant and reliable information to address the research objectives. Primary data were collected using a structured questionnaire designed to measure BI, organisational agility and organisational performance. As a result, Table 2 will provide an overview of the research variables related to this study and the measurement items were adapted from established instruments used in existing literature. All construct items were measured using a five-point Likert scale ranging from 1= strongly disagree to 5 = strongly agree. The sources used for the operationalization of the key variables are presented below.

The study used SPSS 23 for data analysis due to its efficiency in handling large datasets and performing complex statistical analyses.

Table 2: Operationalization of Key Variables

Variable	Dimension	Indicators	Measurement	Source
Business Intelligence Practices (IV)	Data Integration	Data Integration	Five-point Likert Scale	Wixom & Watson (2010)
	Analytical Capability	Analytical Capability		Fink (2017)
	Reporting Accuracy	Information Quality		Park (2017)
	Real-Time Insights	Dashboard Usage		Wamba (2017)
	User Competence	BI Skill Competency		Jayamaha & Mula (2011)
Organisational Agility (MV)	Sensing Agility	Environmental Sensing	Five-point Likert Scale	Tallon & Pinsonneault (2011)
	Decision-Making Agility	Decision Speed		Park (2017)
	Acting Agility	Action Responsiveness		Yasir (2021)
Organisational Performance (DV)	Financial Performance	Financial Performance	Five-point Likert Scale	Kaplan & Norton (1996)
	Operational Efficiency	Operational Efficiency		Wamba (2017)
	Customer Satisfaction	Customer Satisfaction		Chen & Siau (2012)
	Innovation Capability	Innovation Performance		Ramadan (2023)

4. Findings and Discussion

Table 3 presents the frequency distribution of the demographic and organisational characteristics of the respondents. The table summarises key personal and job-related information, including gender, age group, education level, years of experience, type of institution, and current position. This distribution provides an overall profile of the sample and helps to assess the representativeness of respondents drawn from different organisational settings and hierarchical levels.

The demographic analysis of the respondents shows that the gender distribution is relatively balanced, with 136 males (44.4%) and 138 females (45.1%), while 32 respondents (10.5%) identified as other or preferred not to disclose their gender. In terms of age, the majority of respondents fall within the 25–35 years old category, accounting for 108 individuals (35.3%) of the sample, a considerable number of respondents (79; 25.8%) fallen between 36–45 years making it the second largest age bracket of the employees from the selected financial institutions in the Batticaloa District. A smaller group, below 25 years includes 77 respondents (25.2%) and the smallest group of respondents above 45 years old includes 42 respondents (13.7%).

Table 3: Frequency Distribution of Demographic and Organisational Information

No.	Indicators	Attributes	Frequency	%
1	Gender	Male	136	44.4
		Female	138	45.1
		Other / Prefer not to say	32	10.5
		Total	306	100.0
2	Age	Below 25 years old	77	25.2
		25–35 years old	108	35.3
		36–45 years old	79	25.8
		Above 45 years old	42	13.7
		Total	306	100.0
3	Education	Diploma	79	25.8
		Bachelor's	146	47.7
		Master's	61	19.9
		Others	20	6.5
		Total	306	100.0
4	Experience in Years	Below 2 years	88	28.8
		2 to 5 years	97	31.7
		6 to 10 years	63	20.6
		Above 10 years	58	19.0
		Total	306	100.0
5	Position	Officer	118	38.6
		Executive	99	32.4
		Manager	54	17.6
		Senior Manager	35	11.4
		Total	306	100.0

The age distribution suggests that the sample is dominated by young to middle-aged professionals, which is typical of industries like banking, insurance, and microfinance, where mid-career employees make up the majority of the workforce. Regarding education, most respondents are well-qualified: 146 individuals (47.7%) hold a bachelor's degree, A considerable number of respondents fallen under "Diploma" with 79 respondents making 25.8% of the respondents and 19.9% of respondents completed with their Master's degree and only 20 respondents (6.5%) have other educational qualifications. Experience in years shows that 97 respondents (31.7%) have 2 to 5 years of experience making it the largest proportion. The second largest proportion of respondents had less than two years of work experience comprising 88 respondents (28.8%). The next largest group consisted of 63 respondents (20.6%) who had between six to ten years of work experience while employees with more than 10 years comprise only 58 respondents is the smallest proportion (19.0%). Finally, among the respondents, 118 individuals (38.6%) hold officer-level roles, followed by 99 (32.4%) in executive positions, 54 (17.6%) as managers, and 35 (11.4%) as senior managers. This indicates that most of the sample comprises junior to mid-level professionals, with a smaller proportion of senior management, which is typical in surveys focusing on employee perspectives, as it ensures input from the operational and tactical levels of the organizations.

4.1 Reliability and Validity Analysis

Table 4: Reliability Analysis

Construct	Cronbach's Alpha Value	Number of Items
Business Intelligence	.823	10
Organisational Agility	.785	8
Organisational Performance	.853	9

Table 4 presents the reliability statistics for the key study variables based on the pilot study responses of 30 respondents. Cronbach's alpha value for business intelligence is 0.823, indicating a high level of internal consistency among the ten items used to measure this construct. Organisational agility recorded Cronbach's alpha value of 0.785 across eight items, reflecting acceptable reliability. Organisational performance showed the highest reliability with Cronbach's alpha value of 0.853 for nine items. Overall, the results demonstrated that all measurement scales exceed the acceptable threshold, confirming acceptable reliability for all three measurement scales.

4.2 Correlation Analysis

Overall, the study's findings revealed that all three correlations demonstrate strong positive relationships among business intelligence, organisational agility and organisational performance.

The present finding on the positive strong relationship between BI and organisational performance consistent with prior research, which shows that BI improves decision quality and operational efficiency, thereby enhancing organisational performance (Yeoh & Popovic, 2016). Similarly, Watson and Wixom (2010) emphasized that BI facilitates timely access to actionable insights, enabling organizations to respond effectively to business challenges subsequently improving organisational performance. Further, this finding is aligned with Susa-Vucec et al. (2020), who demonstrated that BI contributes to organisational performance significantly.

Table 5: Correlation Analysis

		Organisational Performance	Organisational Agility
BI	Pearson Correlation	.832**	.686**
	Sig. (2-tailed)	.000	.000
Organisational Agility	Pearson Correlation	.863**	
	Sig. (2-tailed)	.000	
	N	306	

**Correlation is significant at the 0.01 level (2-tailed).

Similarly, Alawamleh et al. (2026) demonstrated a positive significant relationship between BI and organisational performance. The study also found a strong positive relationship between BI and organisational agility. This aligns with Sambamurthy et al. (2003), who argued that information systems, including BI, provide the analytical capabilities necessary to sense environmental changes and respond quickly, thereby fostering organisational agility. Further, Malawani et al. (2025) identified a positive, direct relationship between BI and organisational agility. And Al-Maaitah et al. (2026) founded that BI capabilities enhance organisational agility among commercial banks in Jordan. Additionally, the analysis revealed a strong positive

relationship between organisational agility and organisational performance. This finding corroborates Shanks, Bekmamedova, and Sharma (2010), who highlighted that organisational agility positively influences organisational performance by enabling operational flexibility and strategic responsiveness. Further the finding is aligned with Nguyen et al. (2025), who found a strong and consistent support for the contribution of organisational agility to organisational performance. Overall, the observed relationships indicate that BI not only directly enhances organisational performance but also strengthens organisational agility, thereby supporting organisational success.

4.3 Simple Regression Analysis

The regression analysis results indicate that BI has a significant positive impact on organisational performance ($\beta = 0.832, p < 0.001$). The model explains 69.2% of the variance in organisational performance ($R^2 = 0.692$), indicating a strong explanatory power. Furthermore, the overall regression model was statistically significant ($F = 684.197, p < 0.001$). The unstandardized coefficient ($\beta = 0.807$) indicates that a one-unit increase in BI is associated with a 0.807-unit increase in organisational performance.

$$\text{Organisational Performance} = 0.893 + 0.807 (\text{Business Intelligence})$$

This finding is aligned with Alawamleh et al. (2026) which surveyed 197 from commercial banks in Jordan. They found that BI capabilities and BI infrastructure significantly influenced organisational performance. And also Aldabbas and Gianni (2026) founded a positive significant effect of BI on organisational performance ($\beta = 0.119, p < 0.05$).

Further, the regression findings demonstrate that BI significantly contributes to organisational agility within financial institutions. The positive beta coefficient ($\beta = 0.686$) indicates that improvements in BI practices are associated with increased levels of organisational agility. The regression model accounted for 47.1% of the variation in organisational agility ($R^2 = 0.471$), suggesting moderate explanatory power. In addition, the significant F-statistic ($F = 270.836, p < 0.001$) confirms that the overall model is statistically reliable. The unstandardized coefficient ($\beta = 0.663$) further indicates that organisational agility increases by 0.663 units for every one-unit improvement in BI. Therefore, the results emphasize the importance of BI in strengthening organisational responsiveness, adaptability, and operational flexibility.

$$\text{Organisational Agility} = 1.493 + 0.663 (\text{Business Intelligence})$$

This is further evidenced through Aldabbas and Gianni (2026) which founded a positive and statistically significant effect of BI on organisational performance ($\beta = 0.426, p < 0.001$). The study was based on 195 senior managers in UAE. And further, Chen & Siau (2012) identified BI was a significant antecedent of organisational agility.

Also, the regression analysis indicates that organisational agility has a substantial positive effect on organisational performance. The findings reveal a strong positive relationship between the variables ($R = 0.863$), while the coefficient of determination ($R^2 = 0.744$) suggests that organisational agility explains 74.4% of the variation in organisational performance. The regression model was statistically significant ($F = 885.427, p < 0.001$), confirming its reliability in predicting organisational performance. Moreover, the regression coefficient ($\beta = 0.867$) indicates that an increase in organisational agility is associated with a corresponding increase in organisational performance. The significant beta coefficient ($\beta = 0.863$) further demonstrates that organisational agility is a strong predictor of organisational performance in financial institutions.

$$\text{Organisational Performance} = 0.655 + 0.867 (\text{Organisational Agility})$$

This finding is perfectly aligned with Ali et al. (2025) which founded a significant positive effect of organisational agility on organisational performance. This was a study based on Pakistan which surveyed 474 bankers from four private sector banks.

4.4 Mediation Analysis

Table 6: Mediation Analysis

Effect	β	SE	t	p	95% CI
BI $\Rightarrow$ OA (a)	0.6629	0.0403	16.4571	<0.001	[0.5836,0.7421]
OA $\Rightarrow$ OP, controlling for BI (b)	0.5539	0.0304	18.2202	<0.001	[0.4941,0.6138]
Total Effect (c) BI $\Rightarrow$ OP	0.8072	0.0309	26.1572	<0.001	[0.7464,0.8679]
Direct Effect, controlling for OA (c') BI $\Rightarrow$ OP	0.4400	0.0294	14.9849	<0.001	[0.3822, 0.4977]
Indirect Effect (ab) BI $\Rightarrow$ OA $\Rightarrow$ OP	0.3672	0.0387	-	-	[0.2910,0.4415]

The mediation analysis was conducted using PROCESS Macro Model 4 with 5000 bootstrap samples and a 95% confidence interval to examine whether the organisational agility mediates the relationship between Business Intelligence and Organisational performance. Business Intelligence significantly predicted organisational agility ($\beta=0.6629$, $SE=0.0403$, $t=16.4571$, $p<0.001$). Organisational agility also predicted organisational performance significantly while controlling for Business Intelligence ($\beta = 0.5539$, $SE = 0.0304$, $t = 18.2202$, $p < 0.001$). The total effect of Business Intelligence on organisational performance was significant ($\beta = 0.8072$, $SE = 0.0309$, $t = 26.1572$, $p < 0.001$). After including the organisational agility in the model, the direct effect of Business Intelligence on Organisational performance remained significant but reduced ($\beta = 0.4400$, $SE = 0.0294$, $t = 14.9849$, $p < 0.001$).

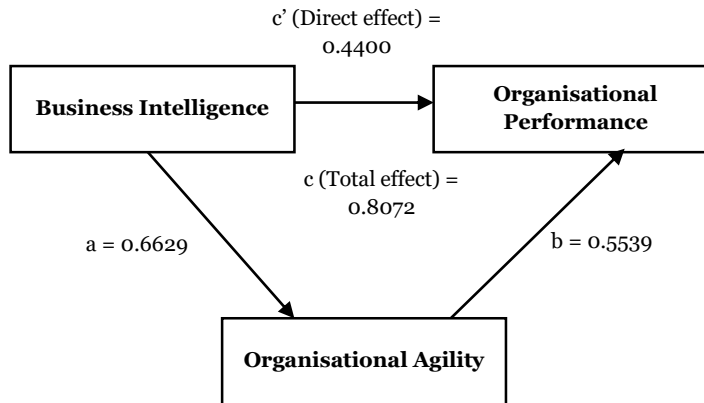


Figure 2: Mediation Model

Most importantly the indirect effect of Business intelligence on organisational performance through organisational agility was significant ($\beta = 0.3672$, $SE = 0.0387$, 95% CI [0.2910, 0.4415]), as the bootstrap confidence interval did not contain zero. Therefore, it is concluded that organisational agility partially mediates the relationship between business intelligence and organisational performance. This finding aligns with Al-Maaitah et al. (2026) who noted that BI supports dynamic capabilities, which foster both responsiveness and operational

effectiveness suggesting that BI-enabled information and analytical capabilities enhance organisational agility which subsequently contributes to organisational performance.

6. Conclusion

The current study aims to examine the mediating role of organisational agility in the relationship between BI and organisational performance. The study's correlation analysis revealed that, overall, the three constructs are strongly and positively correlated. In addition, the mediation analysis revealed that organisational agility partially mediates the relationship between BI practices and organisational performance. Initially, BI had a strong positive effect on organisational performance ($\beta = 0.8072$, $p < 0.001$). And also, organisational agility itself showed a significant positive impact on organisational performance ($\beta = 0.5539$, $p < 0.001$). When organisational agility was included as the mediating variable in the model, the effect of BI on organisational performance decreased from 0.8072 to 0.4400 while remaining statistically significant. Most importantly the indirect effect of Business intelligence on organisational performance through organisational agility was significant ($\beta = 0.3672$, 95% CI [0.2910, 0.4415]). These findings support the theoretical argument that organisational agility acts as a mechanism through which BI enhances organisational performance.

From a theoretical perspective, it extends existing literature by integrating BI, organisational agility, and organisational performance into a single research framework. By empirically testing the mediating role of organisational agility, the study enhances understanding of how information systems influence organisational outcomes in developing economies. The research also contributes to the limited body of knowledge on BI applications in Sri Lanka's financial sector. It provides localized evidence that supports global findings, thereby strengthening the generalizability of BI theories. From a practical perspective, the study offers valuable guidance to managers and policymakers by demonstrating the importance of investing in data-driven technologies and developing agile organisational cultures. The findings help financial institutions design effective strategies to enhance competitiveness, customer satisfaction, and operational efficiency. Moreover, the study supports decision-makers in formulating policies related to digital transformation and organisational development.

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