IMPACT OF STRATEGIC LEADERSHIP ON STRATEGY IMPLEMENTATION

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ABSTRACT: The foremost concern for every strategic manager is to enable organization’s exceptional performance through effective planning and efficient implementation of strategies in order to attain competitive advantage on its rivals. Hence, strategic leaders ought to sight the organizational personnel as a vital resource through which various central competencies are made and exploited effectively to gain competitive edge. Many scholars are convinced that a strategy may be referred as a structure upon which an organization can assert its fundamental congruity while figuring out to settle in to the changing condition to accomplish upper hand on rivals. Whereas, strategy implementation is the practice of putting policies and strategies into actions while developing programs, budgets and procedures. Formulating strategy is a complex task but now-a-days implementation is considered even more intricate process. According to various researchers, leadership often has a vital influence on overall performance of an organization. Researchers have exposed several problems in strategy execution connected to leadership roles. Without an effective leadership, escalating conflict of priorities will be consequence of reduced harmonization since staff may perceive the avoidance towards disconcerting and intimating circumstances by top management, in a result organization may go through impediments in strategy implementation. Therefore, in this paper the impact of strategic leadership on strategy implementation is discovered through previous literature review. In which, it is found that organizations seem to have difficulty in executing their strategies and leadership is claimed as one of the most significant barriers. Furthermore, leadership is found as an important driver in successful strategy execution. Therefore, role of leadership should be undertaken meticulously while articulating and implementing the strategic decisions.

KEYWORDS: Strategic Leadership; Management; Strategy Implementation; Strategic Management

INTRODUCTION

Competitive advantage is reflected as a catalyst for the growth and sustainability of any organization [1]. Scholars and strategic executives have long been quested in understanding resources upper hand on rivals [2, 3]. This fact is now even more important that the competition between corporations has intensified in this era of technological innovations and consumer awareness [4]. The guiding values in any strategic management practice, may it be in public or private sector, is about understanding the changes in demands and the manner of implementation to cater these changings and to make a framework for supporting developments that lead to improved performance [5]. Nevertheless, formulating a reliable strategy is a complicated task for any management group, making that strategy work implementing it all through the organization is much more intricate [6]. Moreover, now-a-days customers expect exceptional
quality of goods and services while workforce also anticipates amicable workplace environment [7, 8]. Therefore, in order to attain competitive advantage effectively the needs of all stakeholders must be considered.

Many scholars have acknowledgment strategy, which is a key component of strategic management, as a key tool to achieve competitive advantage [9] Strategic management is an orderly method to the key and essential responsibility of management to place and relate the firm to its background in a way which will guarantee its continued victory [10, 11] and make it safe from surprises [12, 13]. Strategy formulation has been pronounced as significant constituent of strategic management, more imperative than strategy implementation [14]. For this cause, scholars have focused more interest to formation instead of implementation [15]. Nevertheless, in the recent past, executing strategies has been viewed as more vital as this is solution for unique business performance [16].

Likewise, leadership has significant effect on successful formulation and implementation of strategies [17]. Various leadership concepts support the idea that managers who apply leadership roles effectively score high than those who do not [18, 19]. Likewise, managers having a collection of leadership behavior and play those roles regularly are viewed as more successful, not merely by their assistants but as well as their superiors and peers [20].

However, the high disappointment rate of implementation endeavors' is well evidenced, and numerous obstructions for strategy implementation still exist [21]. One is deficiency of leadership prominently strategic leadership at the uppermost level of the firm has been also recognized in literature as key obstacles towards efficient strategy implementation [22]. Clearly, strategic leadership is deemed as key driver for effective implementation [23]. The fact can be undertaken wherever in several organizations; less than half of the strategies are implemented. In a study it was found that 57% of organizations were ineffective at implementing strategic efforts in examination of 276 prominent operational directors [24]. In another study of Chinese Corporations in 2006, it was discovered that 83 % of the surveyed companies fail to execute strategies and only 17% opined about having reliable process of implementation [25]. Similarly, another study in which strategic leadership’s role on strategy implementation was conducted in South African organizations’ it was found that strategic leadership significantly contributes towards effective strategy execution [26]. Therefore, this relationship should be studied further from literature in order to get insights of its nature.

LITERATURE REVIEW

What is Leadership?

The description of strategic leadership represents “the leader’s ability to anticipate, envision, and maintain flexibility and to empower others to create strategic change as necessary” [27-29]. There are various aspects of strategic leadership which encompasses accomplishment of tasks through others, and be a source for organization to compete with the dynamic marketplace. The primary focus of Strategic leadership is to enhance the ability to align and integrate internal as well external business environment [30]. Moreover, it also manages the critical processes of information inside an organization. Strategic leadership has numerous recognizable functions through which effective strategy implementation can be accomplished (see figure 1). These functions are following:
Leadership is an arrangement of conducts that urges the people to define the organizational objectives and afterward spur them to mutually contribute with a specific end goal to accomplish strategic objectives. In ensuring success of firm while maintaining the efficacy in organizational operations strategic leadership has a pivotal role [31]. Motivating and supportive behavior of leader towards its subordinates is necessary. Inclusion of everybody inside the organization should be made as it is significantly related towards performance. The commitment and dedication of leader is a catalyst to accomplish the strategic vision. Nevertheless, the leader’s vision should be aligned along the strategic goals of organization to be a champion. The concept of leader must be clear to bring about the change in organization when needed [32].

**Strategy Implementation**

Strategic management is seen as the arrangement of decisions and activities that results in devising, execution and control of plans intended to accomplish an association's vision, mission, plans and vital goals inside the business setting in which it works [33]. Strategic implementation is a key element of strategic management practice, which is deemed as a process of transforming strategies into a sequence of activities and then gets results to achieve the strategic objective along mission and vision of the organization [34]. A strategy is a structure through which an organization can affirm its vigorous endurance while managing to settle in to the varying environment to achieve competitive benefit. It is a mediating strength between the organization and its atmosphere through which ordered streams of decisions are created to cater with the corporate environment [35]. Since last two decades, formulating strategy has been broadly considered as foremost and imperative element of strategic management approach even more than controlling or implementing strategy [36]. However, recent research indicates about strategy implementation, where it is acknowledged as a vital condition to improve the performance of business instead of formulating strategy alone [37-39]. What's more, there is developing acknowledgment that the most essential issues in the field of strategic management are not connected with formulation strategy but with implementation of strategy, and the increasing failure in firms’ dynamics is the consequence of faulty strategic implementation of new plans [40]. Furthermore, it was proved that implementation process of strategy is imperative and complicated fragment of strategic management [41]. Organizations seem to have difficulty in executing their strategies, nevertheless. Researchers have exposed several problems in implementing strategy. The reasons for this are different, but the majority hinge on the reality that strategy executions is resource intensive and demanding.
Drivers and Barriers to Effective Strategy Implementation

According to a study the following are observed as sets of best practices and their subcomponents for implementing and executing strategy in establishments: mobile change through operative leadership; interpret the strategy towards operating footings; aligning overall firm’s with strategy; inspire to create strategy everybody’s job; and oversee to make strategy a persistent process. In an effort to simplify quite a complex model, five important areas were identified that need to be addressed to upkeep successful strategy execution. They offered the following services available, providing necessary budgets for training, meetings, equipment, and execution [42].

Numerous studies have emphasized the significance of formulation and execution strategy, with upper status given to strategy preparation for its criticalness to the actuality and extension of the organization. Nevertheless, implementing a strategy is greatly tougher than formulating it. The former involves leadership skills, precision planning, and unifying of resources and actions with safeguarding public’s pledge towards new strategy while the later entails creativeness and observing business and evaluating market prospects and the firm’s strong point [43].
Though, strategy formulation is typically a purpose of upper management, its execution is the responsibility of middle and lower level management [44]. Nevertheless, the role of upper management is important in preparing a practicable strategy and collaborating it plainly so that middle management can more certainly implement it. Similarly, an effective strategy execution journey begins in the designing phase and deterioration to search the connection amongst establishing strategy and implementing strategy is a step headed for deterioration of strategies [45]. A study proposed ten key success facets which assist to leaders for improving and overcoming complications throughout execution process. Moreover, commitment and involvement of top-level managers is an essential path towards gateway of successful strategic application. Association of the main management profitable information is another most noteworthy thing but, the lower management such as supervisors are not engaged with the creation of methods and strategies and yet they have critical knowledge through their experience and training [46]. Correspondence is the thing that execution is about; it ought to be intensive, two ways and not past due until the point that progressions have officially solidified [33, 47]. Implementation ought to take after an integrative purpose of perspectives it is risky to feature the structural viewpoints and negligence other existing segments. Clear task of errands will go further to turn away power competition within their progressive systems and departments. Preventive activities against difference hindrances ought to be perceived and be managed productively. Teamwork actions must be prioritized and people with different characters should be appreciated. The leaders should take benefit of supportive execution instruments such as the balanced scorecard and helpful software solution to support in gathering information and tracking definite performance [48]. In the end, the leaders should ascertain cradle time for unpredictable events as additional time should be considered for unexpected occasions. Then, another research features two critical drivers of technique usage; i) structural drivers, which are authoritative structures and asset arrangement and ii) human drivers, which are hierarchical culture, key administration and reward frameworks. Furthermore, it was argued that, research in the area has endorsed a number of barriers to strategy implementation [49]. The implementation of a strategy is more significant, and more valuable, than the preparation of a strategy. Scholar stated that strategy implementation is one thing to sit down and craft what is apparently a winning strategy, but effectively implementing it is another thing completely. Strategy is all about management of change. Resistance from change is one the very pinnacle of threats to strategy implementation. Strategic change is the endeavor of an association from its present state to toward some foreseen future state to raise its upper hand [50]. Change may likewise deliver strife and protection. People working in associations once in a while counterattack such undertakings and make system testing to execute [48, 51]. This might be because of unease or dread of economic loss, burden, uncertainty and break in normal social examples.

More previous studies established that the main hurdle to the execution of strategies incorporate absence of coordination and support from different levels of association and protection from subordinate and absence of or lack of planning in endeavors [52]. With the same back drop, research list down various implementation entanglements, for example, division, absence of partner duty, initiative fatigue, intolerance, vital detachment, inability to comprehend advance, activity weakness, narrow mindedness, and not cheering achievement. It was also recognized reasons why systems flop as surprising business sector changes; absence of best administration bolster; operational contender reactions to methodology utilization of lacking assets; disappointment of purchase in, understanding, as well as correspondence; suitability and uniqueness [53]. Besides the following answers to successful strategy implementation were
proposed: collaborating the strategy; driving and prioritizing planning; line up the organization; reducing complexity; and fixing an issue resolution system [54].

**How Leadership Effects Strategy Implementation**

In enactment and carrying out the strategic direction leadership plays a vital role. It plays a role of bridge which fills the gap between the strategic management practices and the vision and goal of an organization [55]. Firstly, it caters the strategic concept by presenting the vision. Afterwards, it acts as a foundation to foster the culture of organization in which everybody perceives the way for operating in the environment, formally or informally towards the firm’s values. Profoundly, values furnish the direction [56].

Leadership has the responsibility to introduce, teach and practice the values and corporate culture to everybody within the organization. The Vision and pledge of leadership enables the environment for effective strategy formulation and efficient strategy implementation. There is not possibility of implementation of formulated strategies unless everyone is involved [57]. Everyone should understand their responsibility and need to perform their respective functions in order to make effective contribution towards implementing strategies. And only leadership has the ability to motivate and aspire to accept the change because change is always resisted by the people. Leadership thoroughly examines the situation to find the gaps both internally and externally. Then, accordingly develops the appropriate plans to fill such gaps through implementation of strategies or plans [58].

Likewise, supporters of leadership argue that leaders, by their varying roles, are responsible for making decisions that help their organizations adapt and succeed in competitive environments [59]. In contrast, those who view organizations as heavily constrained claim that leadership is largely irrelevant and, at best, a social construction [60]. While provoking, the proclamation that the leaders in organizations do not play a distinct role in influencing groups and individuals to achieve organizational goals, is not supported by the empirical evidence; leaders often have a substantial impact on performance [61]. Researchers acknowledged the role of the board, which is to ensure uniformity among resource allocation, processes, and the firm’s projected strategy. Scholars also referred poor harmonization across functions and insufficient down-the-line leadership skills and developments as killer of strategy execution [62].

Management experts categorized the leadership’s significance of 3 key functions: handling the significant process, handling associations, and handling manager education [63]. Likewise, an investigation on just-in-time procuring achieved that the dedication and leadership of best level of administration is essential in procedure implementation [64]. In another examination it was discovered that moderately stumpy leadership cooperation in strategy implementation prompted inadequate technique achievement in the association examined. Researchers also examined the pressure of hierarchical leadership in executing strategies [65]. In similar study it was concluded that merely when leaders' effectiveness at diverse level (hierarchies) was well thought-out in the aggregate that important performance improvement occurred while executing strategies [66].

In light of a systematic analysis, in spite of the fact that an excellent strategy is being formulated, a solid and operational pool of abilities, and human capital are especially imperative assets for methodology achievement, humble leadership is one of the key hindrances in effective strategy execution. Similarly, it was also contended that the chief
executive officer (CEO) and top managers must highlight the various interfaces inside the organization. One main challenge in successful strategy implementation is safeguarding employees’ buy-in and directing their competences and business understanding in the direction of the new strategy [67]. Therefore, the necessity for effective leadership outweighs any other aspect. An exploration addressed this concern from a different perspective; they proposed that in the deficiency of effective leadership, conflicting priorities will result poor synchronization because employees will doubt the top management prefers to evade potentially threatening and humiliating circumstances [68]. In parallel additional study acknowledged the role of the leadership for superior performance, which is to ensure steadiness among resource provision, processes, and the firm’s envisioned strategy.

Furthermore, an investigation analogously stressed exploring and supporting core competencies, accentuating moral practices and establishing adjusted organization controls as essential capacities which are acted by pioneers or also known as leaders [69]. Next, to avoid the disappointments in strategic implementation, eleven strategies for execution decisions were hailed that vital organizers in universities can select over. These are utilizing the financial budget to fund strategic change, utilizing contribution, utilizing power, setting up objectives and primary execution markers, working inside the human asset overseeing arrangement of the University to get ready for modification and to roll out improvement, utilizing the reward framework to sustain and bolster change, personnel and staff advancement, working with or differing institutional culture, working with or moving far from custom, creating and utilizing change champions and expanding on frameworks that are good to go for or are effectively adaptable to strategic change [70].

Clearly, effective and successful evolution from formulation of strategy towards implementation is essentially dependent on the roles of strategic leaders. Disinclination or inability to construct the framework for implementing strategic change is solitary dependable conjecturer on its failure and firms enable to implement strategy through active leadership [72, 73]. A homogenous study established that it was only when leaders’ efficiency at different levels (hierarchies) was considered in the aggregate that important performance improvement occurred while executing strategies. An Alternative research in similar context addressed this concern from a different perspective; they proposed that in the absence of effective leadership, conflicting priorities will result reduced coordination because staff will doubt that top management prefers to avoid potentially intimidating and embarrassing circumstances [74]. Furthermore, it was point out that poor strategy implementation has been responsible for a number of strategic disappointments and one of the most cited problems is lack of top manager’s commitment. In recent years, capable leaders figuring out how to shape an organization’s culture of life in intensely pertinent ways will expand its opportunity of successfully executing its techniques [75]. Leaders galvanize commitment to embrace change through three interrelated activities: expounding strategic intent, building an organization, as well as influencing organizational culture [76]. An efficient strategy implementation requires a team effort which cannot be perceived without an effective leadership.

CONCLUSION

In this paper impact of strategic leadership on strategy implementation is conferred. Leadership always accepts responsibilities. Responsible leaders ensure the efficacy throughout the
processes. Through their vision, they guide organizations in planning and enactment of strategies. While formulating strategies, they give an essential variation of the planning matrix and for enactment they put their efforts to achieve the strategic objective of organization. The study found that strategic leadership has positive impact in implementation of strategy within a firm. Provided the suitable and effective leadership style is applied in the dynamic situation of organization. Furthermore, strategic leadership is also considered as a key driver to attain competitive advantage for an organization. Evidently, effective strategy implementation hinges on upon the leadership skills of working through others, organizing, motivating, culture building, as well as creating robust fits among strategy and how the organization does things, therefore if the leadership which is nucleus of the organization would be effective the organization will have upper hand on its rivals.

Finally, leadership must initiate the assessment procedure to clinch the viability of the entire management procedure. This accountability angle of leadership will highlight the flaws and enhance the strategies through continuous improvement and changes. Furthermore, this evaluation process will assist leaders and managers to maintain and sustain spontaneous growth of institution while implementing strategies effectively.

REFERENCES


