Effects of Leadership Styles and Organizational Strategy to Enhance Performance Efficiency

Jiaoli Cai

The School of Management, University of Science and Technology of China, 230026, Anhui Province, P.R.China.
caijiaoli552@hotmail.com

Correspondence should be addressed to Jiaoli Cai: caijiaoli552@hotmail.com

Abstract – There is a prevalent belief that more attention from top managers towards the basic values and culture of an organization will result in enhanced levels of productivity and creativity. Recent research in the area of transformational leadership emphasizes the significance of senior management in formulating and conveying a clear vision for the organization, exemplifying this vision, fostering innovation, providing support to employees, and involving them in decision-making processes pertaining to their work. The objective of implementing these strategies is to enhance productivity by fostering increased job satisfaction and professional self-assurance among personnel. The formulation of a company's strategy should align with the most probable pathways to achieve success in attaining the company's objectives. The implementation of organizational strategy and effective leadership results in the establishment of a prosperous organization. The study examined the potential achievement of an organization's goals and objectives via the integration of strategic planning and effective leadership. The present study is grounded on extensive research drawn from a diverse range of peer-reviewed scholarly publications pertaining to the subject matter of leadership and organizational strategy in relation to performance. To establish the causal relationship between organizational strategy and performance, several studies have been examined by scholars. This study empirically evaluates many hypotheses and validates them via a comprehensive analysis of the works of various authors.

Keywords – Definition of Leadership, Effects of Leadership Styles, Effective Leadership, Organizational Strategy and Performance, Performance Efficiency, Strategic Planning.

I. INTRODUCTION

Counts, Farmer, and Shepard [1] provided a definition of leadership as the exertion of interpersonal influence within a given circumstance, with the aim of achieving certain objectives via the process of communication. Zeyada [2] defines leadership as the act of guiding a collective of individuals towards the achievement of a predetermined objective. According to Baron and Parent [3], leadership may be described as the deliberate exertion of influence by an individual over a group of others within an organizational context, achieved via the establishment of relationships, the implementation of structures, and the provision of guidance. In [4], leadership encompasses the leader's overall communication and interpersonal interactions with others, their ability to inspire and educate subordinates, and their capacity to guide and steer their team in the execution of duties. According to Foti and Miner [5], leadership may be described as a dynamic process in which one individual exerts influence over others in order to achieve a specific aim, while also providing guidance and direction in a manner that promotes greater cohesion and coherence within the group.

The topics of strategy and leadership have often been examined separately in existing scholarly works, but there is a scarcity of studies that combine these two issues. The concept of transformational leadership entails a focus on the creative methods used by an organization, whereas a transactional approach involves an examination of the consolidation techniques implemented by a firm within the market. Previous studies have demonstrated that there exist positive associations between leadership and strategy. Therefore, the present research aims to explore this perspective by conducting a comprehensive review to analyze the integration of leadership and strategy in existing literature. The study of the papers facilitated the identification and validation of the following four key categories. The four key concepts under discussion are: a) leadership practices, b) strategic management, c) strategic leadership, and d) leadership as a strategy. Strategic management pertains to the effective administration of a company's core operations, serving as the primary catalyst for its success. Strategic management encompasses the determination of what, how, and why certain
actions will be undertaken within an organization, with the ultimate goal of establishing a unique position in the market and fostering the long-term sustainability of a competitive advantage.

The notion of strategy has resemblance to that of leadership, since leaders assume the responsibility for the development, execution, and assessment of plans. The plural form is used to refer to leaders due to the lack of factual evidence supporting the notion of a single leader at the helm of a firm. Leadership practice characterization is founded around a leadership style that questions established norms and motivates a collective vision by empowering people to take action, providing guidance on the necessary course to be pursued, and fostering a sense of organizational unity. In accordance with the viewpoint presented by Poulton and Fordham [6] on reciprocal leadership, this characterization supports the notion of transcending the asymmetrical and dichotomous perspective that exists between a leader and their followers. The implementation of creative changes within an organizational setting is indicative of leadership as a strategic approach. Leadership within an organization may manifest at several levels, including top-level, intermediate, or operational positions. This aligns with the concept of comprehensive leadership or leaderful, as proposed by Banjeree [7].

Strategic leadership encompasses the capacity to foresee and forecast future developments, while maintaining adaptability and fostering the involvement of diverse teams in generating strategic transformations. This is achieved via the deliberate pursuit of multifunctionality and the promotion of collaborative efforts. This particular style of leadership fosters the promotion of innovation and the implementation of strategic change. Hendrata, Arofah, and Martadisastra [8] posits that strategic leaders effectively integrate their administrative and visionary leadership responsibilities via the use of strategic control and decision-making. Therefore, current study pertaining to leadership mostly centers on an individual at the highest position within an organization. Despite the inherent limitations associated with this perspective, it has been widely embraced and included in several scholarly works, so making it usable in various contexts. In a broad sense, there is a perceived correlation between the notions of strategy and leadership, indicating a tendency towards a more unified stance rather than a distinct integration of both concepts.

The effectiveness of an organization is contingent upon the ability of its top management and executives to align organizational strategy and leadership styles with the evolving external environment. The concept of leadership continues to be seen as an art within the realm of corporate organization. Leadership has been a prominent area of study within the realm of organizational performance effectiveness, particularly in relation to the execution of organizational strategy. There has been a growing interest in the field of strategic leadership in recent years, as shown by the works of Storey [9]. The attainment of optimal performance within a company necessitates the collaborative efforts of several leaders. Leadership may be defined as the skillful practice of effectively achieving objectives by mobilizing and coordinating the efforts of others. This assumption is based on the belief that leadership techniques have a direct impact on the performance of subordinates and ultimately contribute to the success of the organization. An optimal organizational plan will ascertain the leadership style that will expedite the advancement of the firm. A strategy refers to the deliberate measures undertaken by organizational leaders to achieve certain goals.

According to Sosa-Fey and Dastoor [10], leadership is primarily concerned with achieving desired outcomes or results. The performance of employees and the connection between leaders and workers are subject to substantial impact from the leadership style used by the leader. According to Gupta [11], there exists a direct causal link between leadership and the performance of companies. Leaders have a crucial role in shaping the values, culture, change management, tolerance, and employee motivation inside an organization via the implementation of strategic approaches aimed at achieving organizational goals. This study aims to explore the integration of leadership concepts and strategic thinking within the context of organizational strategy, with the ultimate goal of achieving optimal performance efficiency. The performance efficiency of an organization may be characterized as its ability to sustain itself, achieve its goals, and maintain positive financial outcomes, including profits, financial resources, and asset value. The effectiveness of an organization is contingent upon three key factors that determine its performance: (1) Efficiency and the dependability of its processes, (2) the quality and capabilities of its human capital, and (3) its capacity to adapt to the external environment. The performance determinants are subject to the effect of leaders' decisions and behaviors, sometimes referred to as leadership styles.

This paper has been organized as follows: Section II presents a discussion of the purpose of the research. Section III presents a review of the previous works related to the concept of leadership, and organizational performance. Section IV previews the methodology employed in this research. Section V presents a discussion of results. Section VI is the last section, which draws final remarks to the research.

II. PURPOSE OF THE RESEARCH

Every firm aspires to achieve success in the highly competitive global landscape. The individuals involved engage in the development of a comprehensive framework including plans, strategies, policies, and programs in order to effectively achieve the desired objectives. Additionally, they establish a leadership plan for the company. However, the alignment between leadership and organizational strategy often remains unaddressed in many organizations when it comes to attaining performance efficiency. This research endeavor aims to investigate the correlation between leadership and organizational strategy in order to enhance performance efficiency. The primary goals of this research are to examine the link between organizational strategy and the adoption of leadership styles by an organization, with the aim of enhancing operational performance efficiency. In addition, the research has many secondary objectives: (1) To assess the influence
of an organization's strategy on its ability to attain the intended level of performance. (2) To assess the significance of aligning leadership styles with an organization's strategy. (3) To investigate the means by which performance efficiency may be attained via the selection of effective leadership. The objective of this study is to provide effective ways for selecting an appropriate leadership style that aligns with organizational performance objectives.

III. LITERATURE REVIEW

The challenge of implementing strategy is a common issue faced by several companies, leading experts in the field of strategy to advocate for a dynamic approach that goes beyond rigidly adhering to predetermined plans and structures. One potential approach to enhance the execution of adaptive strategies is by adopting the concept of "open strategy". This approach draws upon strategic management and planning principles. The concept of open strategy may be described as a dynamic activity integration, which allow the relevant stakeholders to have more strategic transparency and/or inclusion. The use of an open strategy approach has the potential to enhance strategic flexibility, as shown by previous research. This method is characterized by four fundamental characteristics, namely transparency, inclusion, participation, and IT-enablement, as identified by Goldman and Kruger [12].

According to the definition provided by Hosseini, Shahri, Phalp, and Ali [13], the four principles may be described as follows. Transparency refers to the provision of pertinent data from relevant stakeholders throughout the process of planning, ensuring its accessibility, visibility, and dissemination. The perceived quality of information is influenced by the level of transparency. The issue of inclusiveness pertains to the practice of actively engaging and including external stakeholders in order to get their viewpoints. The inclusion of multiple perspectives enhances the depth and precision of strategic analysis, ultimately fostering collaborative efforts in strategy development. Participation may be described as the active involvement of individuals in the decision-making process, which contributes to the development of more comprehensive decisions, and assumptions. Attachment and participation are distinct characteristics of public involvement, operating autonomously from one another. The concept of inclusion fosters the establishment of a community that actively engages in the identification and resolution of diverse concerns, whereas participation places emphasis on obtaining extensive feedback about the substance of programs and policies. IT-enablement refers to the application of IT, including social media, and open apps, with the purpose of facilitating transparency, inclusion, and participation as previously indicated. While IT-enablement was not initially included in the core principles of Open Strategizing, Radomska, Hajdas, Wolczek, and Glinka [14] highlighted it as a distinctive feature that sets open strategizing apart from other management techniques that emphasize participation. The use of various forms of social media enables the establishment of immediate contacts with a much wider range of stakeholders compared to previous methods.

The open strategy approach necessitates ongoing strategic thinking and execution, including the dynamic actions and interactions of many stakeholders and the use of organizational practices to achieve strategic goals. In order to achieve this objective, there has been an increase in the use of participatory methods, such as the utilization of a visual approach of mapping or charts such as EFQM, Balanced Scorecard, and Hoshin Kanri. These practices are often accompanied by management dialogues that follow the Plan-Do-Check-Act approach. These conversations are often accompanied with current performance "dashboards" that facilitate the tracking of target attainment and the implementation of evidence-based strategies for enhancement. In order to effectively implement the strategy, it is necessary for the organization to establish consistency between the decisions and actions at all levels within the company.

Organizational strategies delineate the trajectory towards accomplishing the goals of an organization. On the contrary, leadership may be seen as a managerial competency that encompasses the capacity to motivate and guide a collective of individuals towards shared objectives. According to Ndonye [15], there exists a direct causal link between leadership and organizational performance. The majority of empirical research conducted over the last 50 years on the efficacy of leadership has been focused on middle or lower-middle managers, rather than the top management of organizations. The study done over the previous five years focused on examining the impact of individual leadership on employee motivation and performance, specifically in terms of exceeding original expectations. Historically, the majority of empirical study on leadership behavior has been conducted within the frameworks of chrematistic and transformational leadership theories. Numerous studies have provided evidence suggesting that the display of transformational leadership behavior has the potential to enhance the motivation and performance levels of those working under such leadership. Casimir [16] posited that the transformation of subordinates and organizations may be achieved via the use of four aspects of leadership. These dimensions include charismatic and idealized influence, inspired motivation, personalized concern, and intellectual stimulation. According to Baron and Kanevskai Whitaker [17], a mere 36 percent of the organizations assessed were deemed well equipped to promptly replace leadership positions.

Kachra [18] assert that strategic leadership encompasses the ability to effectively navigate and manage change. Furthermore, they argue that an increase in the frequency and magnitude of changes necessitates a corresponding increase in the need for leadership. According to Luzinski [19], strategic leadership may be defined as the capacity of a leader to envisage, anticipate, and retain adaptability in order to facilitate the empowerment of others and facilitate the implementation of essential strategic changes. This kind of leadership entails effectively managing and influencing people to achieve organizational goals. According to Stamp, Burridge, and Thomas [20], strategic leadership may be defined as the capacity to effectively exert a favorable impact on individuals or a collective in order to accomplish certain
objectives. The author further asserts that effective leadership encompasses the ability to formulate a strategic vision and has persuasive skills in order to successfully execute such plan, resulting in concrete outcomes.

According to Miller and Sardais [21], strategic leadership encompasses the practice of effectively communicating with and attentively listening to internal stakeholders inside a company. The primary objective of this communication is to disseminate information, foster the development of novel areas, and provide innovative solutions to prevailing challenges. Strategic leadership has been widely recognized as a fundamental component in the successful execution of organizational strategy. Frontiera [22] assert that the presence of competent organizational leadership and a robust organizational culture are undeniably crucial factors in facilitating the successful execution of a company’s strategy and objectives. The presence of ineffective leadership has the potential to undermine the most well-designed strategy, whereas the vigorous implementation of a subpar plan may often lead to success.

According to Mosley [23], the duties of leadership play a crucial part in addressing organizational change. They argue that a successful leader has the ability to bring about effective change inside an organization. Leaders use strategic thinking to enhance performance effectiveness. Contingency theories have posited, and empirical research have supported, the notion that the efficiency of an organization is contingent upon the level of alignment between the environmental demands and the organizational features. The degree to which a leader effectively implements modifications in strategy and tactics serves as an additional measure of flexible and adaptable leadership. The factors of organizational success have been the subject of extensive research over the course of many decades. The theory of management and organization is a prominent topic in the existing literature, as shown by the works of Bartunek [24]. The existing body of academic research, as shown by the works of Tallia, Awan, and Khuram [25], together with several practitioner-oriented publications focusing on the analysis of successful companies, have contributed valuable insights into the factors that influence organizational performance. The steadiness of operations over a certain duration might enhance the efficiency of the organization.

Zegmni and krobla [26] conducted a study on the impact of organizational strategies on performance efficiency. Specifically, they examined the strategic types (Prospectors, Analyzers, Defenders, and Reactors) and generic strategies (Cost Leadership, Differentiation, and Focus) within high-performance contexts. There are several strategies for enhancing performance efficiency, such as the revamping of work processes, adoption of new technologies, reduction of energy and material costs, minimization of surplus inventory, and reduction of personnel expenses.

IV. METHODOLOGY
The objective of research methodology is to provide a systematic framework for doing research. There are two distinct methodologies for performing research. The first category is empirical research or study, which involves the collecting and analysis of data in order to meet the researcher's premise. Conceptual research is an alternative approach to doing research that focuses on the examination of concepts or theories that elucidate the phenomena under investigation. In the realm of conceptual research, experiments are not conducted; rather, the observations made by others are used to validate the hypothesis. This study incorporates the results of several academics to establish the causal link between organizational strategy and leadership style in relation to performance efficiency. This paper is a peer-reviewed publication that focuses on various hypotheses and aims to create logical arguments in support of these hypotheses. In conclusion, this study provides an analysis of the overarching hypothesis pertaining to the research topic.

V. RESULTS AND DISCUSSION
Hypothesis 1: There is a relationship between organizational strategy and performance efficiency. According to Krauter [27], the use of a strategy is crucial for achieving success inside a business.
Recent research on Organizational Performance (OP) has emphasized that OP is a multidimensional concept, including several aspects. The dimensions include a range of ideas, including traditional measures such as efficiency, effectiveness, and financial success, as well as governance-related factors such as social consequences and responsiveness to clients. Significantly, researchers in the field of organizational psychology have emphasized the need for more investigation into the specific characteristics of organizational performance that are influenced by factors related to management, organization, and the external environment. Therefore, a question arises about the extent to which OP exhibits comparable efficacy across all OP dimensions. In order to address this inquiry, as well as the need for more multidimensionality in organizational performance (OP) research, we evaluate whether the influence of strategic planning (SP) on OP varies depending on the specific measure of OP used, such as efficiency, effectiveness, responsiveness, outcomes, or financial performance.

The use of a strategic approach allows a company to effectively commence and execute initiatives that have the potential to exercise influence on its future outcomes. According to Raj [28], the effective management strategies in an organization necessitates the use of a structured framework. According to Puranam and Maciejovsky [29], the organizational structure plays a crucial role in establishing authority and assigning responsibility for achieving desired outcomes. A leader exercises power and assumes responsibility via their chosen leadership style. According to the study conducted by [30], the success of a corporation is significantly impacted by the alignment between its structure and the behavior of its people. A leader has the ability to exert influence on the conduct of individuals within a workforce.
According to Ding and Yu [31], leadership may be defined as the systematic process by which a subordinate is influenced in order to achieve a certain objective. According to Goldman [32], leadership may be described as the deliberate use of a strategic approach to inspire and encourage employees, with the aim of fostering their potential for personal and professional success. According to Mazurek [33], leadership style refers to a certain approach and skill set used to achieve organizational objectives and influence organizational outcomes. Strategic topologies refer to the conceptual frameworks used to develop and delineate various competitive strategies applicable to corporate units. Typologies serve as a conceptual framework for the identification of strategic groupings within various businesses. According to Mazikana [34], their research has shown that the motivation provided by leaders plays a crucial role in facilitating the successful execution of corporate strategies and ultimately impacting organizational performance.

According to Chirwa and Boikanyo [35], the successful attainment of intended outcomes is contingent upon the effective implementation of a strategy, regardless of its superiority. It is widely held that the successful execution of strategic plans is vital for a company to attain and sustain a competitive edge vis-à-vis other entities. Various writers have expressed their views about the correlation between good strategy development and implementation, and the subsequent beneficial impact on the overall performance of a business. Based on the study conducted by several scholars, it has been shown that there exists a favorable correlation between organizational strategy and performance efficiency.

**Hypothesis 2:** The efficiency of performance is influenced by the type of leadership.

Fakhr, Pradana, Syarifuddin, and Suhendra [36] conducted a study to examine the impact of leadership style on the performance of a company, specifically within the Nigerian banking sector. The researchers used a sample size comprising of 60 people. A random selection of twenty financial institutions located in Ibadan, Nigeria, was used for the purpose of this study. The researchers performed face-to-face interviews with Chief Financial Officers (CFOs), Vice Presidents (VPs) of Operations, and General Managers (GMs) of Branches, using a standardized questionnaire. In order to do data analysis, a statistician specializing in inferential statistics used a singular hypothesis and an appropriate inferential tool. Regression analysis was used to examine the correlations between leaders' styles and the productivity levels of their teams. The results revealed a dual association between leadership style and performance, including both positive and negative aspects. The many styles of leadership have a crucial role in determining the success of a company, together explaining 23% of the overall variance in performance. Banks, particularly in the present climate of severe global rivalry, are encouraged to adopt leadership styles that value change and democratization in light of the results of this research.

Khuong and Hoang [37] investigated how different managerial and departmental heads' leadership styles impacted employee engagement and productivity in small firms in Cavite, Philippines. The sample consisted of 150 individuals. The study purposed to examine the effects of different styles of managerial leadership on staff performance and engagement, using survey instruments as the primary data gathering approach. The researchers used Slovin's method, which utilizes the formula n = N/(1+Ne2), to choose a sample size of 150 respondents from firms located in Cavite, Philippines. The data was analyzed using statistical techniques such as weighted mean, percentage, multiple regression, and correlation coefficient. A study was undertaken to analyze demographic variables, including gender, age, term of service, and leadership styles, using percentage-based calculations. The researchers administered questionnaires to assess leadership styles, and calculated a weighted mean. Afterwards, they used statistical methods like correlation coefficient and multiple regression to look at how different aspects of leadership styles were associated with efficiency and happiness on the job. Although there is room for improvement, the scholars of [38] have reached the conclusion that firms should strive to optimize the leadership style that enhances employee performance and job happiness.

A leader's conduct has a positive impact on the functioning of a company. One manifestation of influence is using distinct leadership behaviors while engaging with employees, followers, and external individuals. The choice about management programs and processes, as well as organizational structure, is a secondary factor that influences organizational performance. The third kind of influence pertains to the decision-making process about the competitive strategy of the company. According to Ganesan [39], effective leadership is seen as an active approach to enhancing management and enhancing organizational performance. Understanding the impact of performance is a matter of concern, as scholars in [40] have posited that leadership plays a pivotal role in driving the performance of organizational management. According to Khemakhem [41], there is scholarly consensus that the effectiveness of leaders may be enhanced when companies encounter novel problems.

In order to optimize performance efficiency, it is essential that the leadership style aligns with the corporate strategy. Leadership is a crucial aspect of every company, serving as a vital force that cannot be disregarded or undervalued. According to Taffinder [42], the impact of leadership is derived from the characteristics and conduct of the individual in the leadership role. According to Strohmeier [43], firms seeking to outperform their rivals often prioritize leadership as an effective means of achieving this goal. The approach that focuses on the role of leaders has provided valuable information about the correlation between leadership and team performance. Longenecker and Insch [44] looked at how leadership played a strategic role in improving company output. Their research focuses on examining the relationship between leadership paradigms and leadership behavior, and how these factors may be leveraged to enhance overall organizational performance. The leadership style used by the leader serves as a motivating factor for the employees, encouraging their commitment to the company and ultimately enhancing performance efficiency.
Hypothesis 3: Relevant leadership styles have the potential to boost performance determinants. There are several leadership styles, including task-oriented, relationship-oriented, and change-oriented approaches. Every leadership style has certain goals that are in accordance with the three determinants of organizational performance. Task-oriented behaviors are very advantageous in enhancing efficiency, while change-oriented behaviors are particularly valuable in facilitating adaptability. On the other hand, relations-oriented behaviors play a pivotal role in enhancing human resources and fostering positive relationships. According to Politis [45], each of the three leadership styles has consequences for the performance of an organization. Task-oriented behaviors encompass various activities such as the formulation of short-term plans and schedules for work, identification of necessary resources and staffing needs, delegation of tasks, clarification of objectives and priorities, emphasis on the significance of efficiency and reliability, coordination and direction of activities, monitoring of operations, and handling of day-to-day operations. Task-oriented approaches are used in order to enhance productivity and minimize costs by the elimination of superfluous tasks, duplication of efforts, wastage of resources, mistakes, and other inefficiencies. Additionally, it was posited that leaders who prioritize task completion have the potential to improve the performance of their subordinates and small groups.

Change-oriented leaders possess the ability to recognize and analyze external factors such as opportunities and threats. Additionally, they are skilled in interpreting events and providing explanations for the necessity of change. These leaders are capable of articulating a compelling and inspiring vision. They are willing to take calculated risks in order to promote and facilitate change. Furthermore, they are adept at assembling a coalition of individuals who support the change initiative. Lastly, change-oriented leaders are proficient in determining the most effective approach to implementing a new initiative for change. According to a study conducted by Essa and Alattari [46], research on leadership styles that focus on change-oriented features, such as inspiring motivation and intellectual stimulation, demonstrates that using a change-oriented leadership style has the potential to enhance both individual and team performance. Research on the causes of creativity and innovation provide more evidence supporting the importance of change-oriented leadership.

Rowold and Rohmann [47] did a study that aimed to analyze the relationship between transformational leadership and transactional leadership styles on employee performance at PT. TX Bandung, Indonesia. The researcher used a sample size of 92 individuals. The major purpose of this research is to compare and contrast the effects of both transformational and transactional leadership on employee efficiency. Additionally, the study seeks to determine the significance of the link between these two variables. The present study incorporates both primary and secondary data sources. The collection of primary data was conducted using the Multifactor Leadership Questionnaire (MLQ) in accordance with the Slovin Theory technique. The collection of secondary data was conducted via the evaluation of employee performance inside the office setting. The quality of the data was assessed using tests of validity and reliability. Several regression analysis is used in order to ascertain the connection between variables, since it allows for the inclusion of several independent variables. The data underwent many traditional assumption checks, including tests for multicollinearity, normality, heteroscedasticity, and autocorrelation, prior to doing the multiple regression analysis. The findings of the study demonstrate that there is a favorable correlation between transactional and transformational leadership styles and their impact on employee performance, both simultaneously and partly.

Hypothesis 4: Organizational strategy has the potential to increase the determinants of performance. The use of organizational strategy may effectively enhance performance and facilitate adaption within an organization. The efficacy of a company is contingent upon the proficiency of its individual workers. Consequently, the performance of employees may be partially characterized as a result of successful leadership. Employee performance may be effectively managed by strategically controlling the many aspects that influence it. These factors include a diverse array of variables. Nevertheless, it is important to note that companies may not have the ability to influence all of these characteristics. For instance, Hitka and Balážová [48] argue that exerting control over factors such as age, seniority, and personal aspirations of employees is often unattainable. However, some elements are open to evaluation and control by companies aiming to enhance their organizational performance efficiency. Moreover, leadership qualities are identified as crucial characteristics that contribute to organizational effectiveness. The primary determinants of organizational success are employee performance and leadership qualities. Effective leaders, according to Peyton, Zigarmi, and Fowler [49], are able to motivate their teams. Business leaders play a pivotal role in ensuring the success of their organizations by creating an atmosphere that influences employee actions and attitudes. Perkins [50] argues that strong leadership is essential for inspiring followers to take initiative and improve their performance. These writers argue that the quality of leadership inside an organization has a significant impact on its success or failure. The efficiency of a company may be greatly improved thanks to the efforts of its employees.

The success of a business is directly proportional to the competence of its individual employees. Consequently, the performance of employees may be partially characterized as a result of successful leadership. Employee performance may be effectively managed via the strategic manipulation of the elements that influence it. These factors include a diverse array of variables. Nevertheless, it is important to note that companies may not have the ability to influence all of
these factors. For instance, the authors above argue that exerting control over factors like as age, seniority, and personal aspirations of employees might sometimes prove to be unattainable. However, some aspects are open to evaluation and control by a corporation aiming to enhance organizational performance efficiency. In addition, leadership qualities are identified as significant characteristics that contribute to organizational effectiveness. The primary determinants of organizational success are employee performance and leadership qualities. According to the writers, effective leaders are able to sway their teams for the better. Business leaders play a crucial role in ensuring that the company's objectives are met because they create an atmosphere that influences employees’ actions and attitudes. Effective leadership, as observed by Jackson [51], is crucial in encouraging individuals to take initiative, contribute meaningfully, and raise the bar for their own performance. Hornstein, Heilman, Mone, and Tartell [52] argue that effective leadership is crucial to an organization’s success. Organizational performance may be greatly improved by the efforts of its employees.

Hypothesis 5: The combined efforts of leadership styles and organizational strategy contribute to enhancing the value of performance determinants.

The need for coordination arises from the problems that exist inside and across organizations. Diversity is a persistent and ongoing phenomenon that necessitates the implementation of strategic planning in order to foster harmony. This imperative arises from the recognition that strategic planning serves as an integral component of a coordinative framework, which facilitates the development of comprehensive and advantageous policies and activities. Consequently, such endeavors contribute to the achievement of improved outcomes across various organizational contexts. The organization is deeply immersed in interconnected relationships and is well attuned to both its cultural and environmental contexts, as well as the prevailing circumstances within them.

The examination of the rate of change and the uncertainty in the cultural and environmental factors that impact organizational functioning in contemporary society has been deemed significant by scholars such as Dong-Xin Li [53]. The environment refers to the context in which businesses and consumers coexist, with each company possessing its own distinct structure, rules, and ethics that set it apart from others. The reciprocal nature of the link between coordination and organization is well acknowledged. Given that organizations do not operate in isolation, it becomes imperative to establish coordinating mechanisms that effectively integrate and operationalize the many components of an organization. The aforementioned process starts with the management, who deploy various organizational skills and methods to ensure that personnel are appropriately positioned and qualified to effectively utilize organizational tools in a manner that ensures satisfactory results.

Organizational objectives may be impacted by numerous aspects of difficulties, which can inform or generate developing goals. Within the context of an organizational environment, the presence of coordination plays a significant role in fostering a sense of perceived collaboration. This perception is influenced by factors such as active engagement, transparency, motivation, and overall satisfaction. In the context of an organizational environment, the establishment of specified boundary sets plays a crucial role in facilitating coordination. These boundary sets serve to provide a clear vision and focus for the company. The establishment of organizational trust is contingent upon the effective coordination of both external and internal functions. The reciprocal nature of the link between trust and performance is evident, since organizational trust has internal outcomes that contribute to the effective and efficient use of employees and resources, hence favorably impacting performance. The beneficial impact of organizational trust manifests in external outcomes such as competitive cost advantage and goodwill, which in turn contribute to enhanced performance.

The combination of leader behaviors and management programs, which are part of the organizational strategy, has the potential to impact the culture of an organization, ultimately leading to improved organizational performance. According to Schwartz and Davis [54], the alignment of shared values and beliefs with the organizational strategy is crucial for a strong corporate culture to positively impact organizational performance in adapting to the environment. Leaders have the ability to shape the organizational culture via various strategies, such as implementing management programs and systems. These strategies include activities such as selecting and socializing personnel, providing training, conducting performance appraisals, and offering awards. The use of leadership styles might be constrained by the implementation of management programs and frameworks. Empowering subordinates becomes challenging when they adhere to complex rules and regular processes in their job. A strategic approach has the potential to amplify the impact of a leader’s conduct.

Promoting cognitive engagement or intellectual stimulation is expected to enhance the level of innovation within an organization. When an organization implements a program aimed at facilitating innovation, it fosters an environment characterized by psychological safety, which encourages individuals to take risks and generate innovative ideas pertaining to products or processes. The facilitation of strategy creation is enhanced by the use of distinct leadership styles, including the monitoring of the external environment, the assessment of dangers and opportunities, the identification of key skills, and the evaluation of alternative plans. Certain programs and systems designed to monitor the external environment provide supplementary data that is essential for determining a suitable strategy for the firm. Ottaway [55] suggests that many leadership styles may be used in order to effectively execute a new strategy or implement change. Collaborative endeavors in organizational strategy and leadership styles enhance performance by augmenting the value of performance indicators.
Hypothesis 6: The organizational performance is enhanced by the collaborative impact of leaders at various levels in the process of formulating and implementing strategies.

The Upper Echelon Theory (UET) has emerged as a prominent framework in the field of entrepreneurship research, offering a robust theoretical foundation for examining the influence of top management qualities on organizational results. This theory has been extensively explored and supported by several scholars. According to Datta and Iskandar-Datta [66], the Upper Echelon Theory (UET) posits that the qualities of top management might elucidate certain external and internal decision-making processes, hence influencing the success of a corporation. Based on this theoretical framework, it is posited that the attributes of values, experience, age, and education have a significant influence on the cognitive interpretation of managers regarding various circumstances, as well as their subsequent strategic decision-making processes. Consequently, these factors eventually impact the overall performance of organizations. Therefore, inside this particular framework, the attributes of top management teams have the potential to indicate the superior performance of their enterprises.

In the context of UET, the human capital theory suggests that the labor force is diverse, resulting in variations in individuals' productivity due to disparities in their skills, competences, knowledge, and capabilities. Heyden, Sidhu, Van Den Bosch, and Volberda [57] established a correlation between productivity, management qualities, and the experience of the top management team (TMT) with the attainment of a heightened competitive advantage and better corporate performance. The social capital hypothesis places significant emphasis on the benefits of social relationships for individual achievement, as highlighted by Pochebut and Mararitsa [58]. Hence, it is plausible that a start-up might get advantages from the networks and social ties of its founders. According to Teles and Schachtebeck [59], these links are acknowledged as outcomes of past engagement in entrepreneurial enterprises and preexisting expertise or social networks. Hence, the social capital possessed by members of an entrepreneurial team is a constantly evolving phenomenon that arises from the social actions of the top management team (TMT) and is deeply embedded inside a social interactive framework.

There are several strategies that top management may use to enhance the participation of middle and lower-level managers (leaders) in the process of making significant decisions. Managers at various hierarchical levels may participate in either in-person or virtual meetings to discuss strategic choices. One viable approach might be used to foster and bolster suggestions put forward by subordinate managers aimed at enhancing operational effectiveness. If an organization develops a plan that is not compatible, it will negatively impact the performance of the company. According to Kim and Beehr [60], it is well accepted among leadership academics that strategic choices are often taken by the CEO and then impact the lower levels of the organizational hierarchy when managers engage with their subordinates. The formulation of an organizational strategy should take into account the available resources of the organization, as well as the knowledge and skills possessed by its leaders for effective implementation. Additionally, it is imperative to restructure the organogram in alignment with the strategy in order to introduce the most appropriate leadership approach. The inclusion of individuals with relevant knowledge in decision-making processes has the potential to enhance the quality of decisions made and foster a greater commitment to effectively execute the chosen plan. The aforementioned phenomenon refers to the combined impact exerted by leaders operating at various hierarchical levels within an organization, with the aim of formulating and implementing strategies that enhance operational efficiency and performance.

Hypothesis 7: Different leadership styles have a crucial role in identifying and implementing integrative solutions when faced with tradeoffs relative to performance factors.

At the heart of interorganizational relationships (IORs), including as alliances, buyer-supplier interactions, and cross-sector collaborations, lie the fundamental principles of collaboration, coordination, and cooperation. Practitioners have emphasized the significance of collaboration, coordination, and cooperation as effective practices for achieving successful interorganizational relationships (IORs). Nevertheless, there is still a lack of clarity about the differentiation between these terminologies. Soliday Hong et al. [61] provide a definition of collaboration as a cooperative, interorganizational connection that is negotiated via a continuous communication process. In their definition, they use the word cooperation to elucidate the concept of collaboration. There has been a need for a precise explication of the definitions of these three concepts, since they are often used interchangeably, a practice believed to impede the establishment of discriminant validity, parsimony, and cumulative validity. The first and essential stage in theoretical advancement, which ultimately leads to the creation of hypotheses, involves the clarification of these notions.

In the realm of literature on interorganizational relationships (IORs), Agostini and Nosella [62] have made first efforts to clarify the definitions of three key concepts within the framework of strategic alliances. According to Henrickson Parker, Schmutz, and Manser [63], coordination can be understood as the intentional and systematic synchronization or adaptation of actions among partners in order to accomplish mutually established objectives. On the other hand, cooperation is characterized as the collective endeavor to pursue agreed-upon goal(s) in a manner that aligns with a shared comprehension of contributions and rewards. The definitions of coordination and collaboration seem to exhibit a strong interconnectedness, since both meanings pertain to the doing of actions aimed at achieving mutually agreed-upon, collective, or shared objectives. The presence of such an overlap has the potential to undermine the
established notion of construct discriminant validity. Irving, Ayoko, and Ashkanasy [64] further suggest that collaboration might be seen as the combined result of coordination and cooperation among members within an alliance.

The need of coordination and collaboration among managers and leaders becomes evident when considering the independence and differentiation of various units within an organization, particularly in terms of their roles or aims. According to Hutchinson and Leung [65], top management teams often consist of individuals who have specialized jobs that are directly linked to the factors influencing performance. The absence of an advocate for a performance factor within the senior management team may result in insufficient attention being given to it throughout the process of formulating and implementing strategies. According to Koufopoulos, Zoumbos, Argyropoulou, and Motwani [66], when the members of the top management team have distinct functions, the leader of the company has the major duty for achieving integration. This may be aided by using suitable decision-making procedures. However, the collaborative process of decision-making may result in superior outcomes when executives, leaders, or managers possess a precise and collective understanding of the factors that influence organizational performance. The leaders of specialized subunits within an organization often possess distinct information, skills, talents, experience, and priorities about the factors that influence organizational success. Consequently, their decision-making is typically influenced by their individual perspectives. Organizations that possess a robust and relevant “core ideology” are more inclined to endure and achieve prosperity over an extended duration. The present study examines the various leadership styles used by leaders in relation to the organizational strategy with a focus on achieving high performance. Therefore, it may be concluded that Hypothesis seven has received support.

VI. CONCLUSION
During the course of this research, an analysis was conducted on several literature sources to investigate the relationship between leadership and organizational strategy in achieving performance efficiency. In order to attain optimal performance efficiency and effectiveness within the current dynamic and unpredictable business landscape, businesses want leaders that possess the qualities of flexibility and adaptability. These leaders should possess the ability to comprehend the intricate connections between factors that determine performance and identify strategies to positively impact them. The leaders of the organization are required to maintain readiness in adapting their leadership behavior, competitive strategy, and formal programs and structures in order to address the challenges that arise in an environment characterized by growing turbulence and uncertainty. This is essential for aligning the organization’s strategy with the goal of achieving optimal performance effectiveness. The performance of an organization is influenced by its strategic approach. Simultaneously, the performance factors are also influenced by the leadership approach used by leaders. Leaders have a crucial role in establishing the organizational strategy and determining the appropriate styles to be adhered to, so ensuring the attainment of performance targets.

Data Availability
No data was used to support this study.

Conflicts of Interests
The author(s) declare(s) that they have no conflicts of interest.

Funding
No funding was received to assist with the preparation of this manuscript.

Ethics Approval and Consent to Participate
The research has consent for Ethical Approval and Consent to participate.

Competing Interests
There are no competing interests.

References


