ASSESSING THE ROLE OF LEADERSHIP IN STRATEGIC PLANNING

BY

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Promoter
Prof N. Kemp
DECLARATION

I, Wesley Anthony Solomon hereby declare that:

- The work in this paper is my own original work;
- All other sources used or referred to have been appropriately referenced and documented; and
- This work has not been previously submitted for any degree and is not being concurrently submitted in candidature for any degree.

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CHAPTER 1

PROBLEM STATEMENT AND DEFINITIONS OF CONCEPTS

1.1 MAIN PROBLEM

Effective leadership is one of the most important factors that influence the performance of an organization. Effective leadership together with supervision are similar in terms of their influence on others towards achieving the goals of the organization. Therefore, effective leadership and supervision are principal activities through which organizational goals and objectives are achieved.

The new millennium is the most rapidly changing time in history. Management is about coping with change. John Kotter states that leaders are people who cope with change and are able to initiate change (Comstock, 1987:108).

Strategic planning is a process during which long-term goals of the organization are determined. Factors to be considered include the values and philosophies of management, strengths and weaknesses and internal and external environmental factors (Van Niekerk, 1988:38). Strategic planning can be defined as an action plan to implement the strategies which are agreed upon in order to achieve the organization’s long and short term goals (Thompson and Strickland, 1990:21).

Based on the above statements it is clear that organizations operate in an ever-changing climate where leaders need to adapt and change. However, they also need to implement the organization’s strategic plan to meet their objectives in this ever-changing environment.
This leads us to the statement of the problem:

**How effective are managers/leaders in practising leadership in strategic management planning?**

### 1.2 SUB-PROBLEMS

In order to develop a research strategy that will address and deal with the main problem, the following sub-problems have been identified.

1.2.1 What does the literature reveal with respect to how effective managers/leaders comply with the guidelines for effective leadership and strategic planning?

1.2.2 To what degree does leadership, practised by managers/leaders, comply with the guidelines for effective leadership?

1.2.3 How do managers/leaders function within the strategic planning framework?

### 1.3 DELIMINATION OF THE RESEARCH

The purpose of delimiting the research topic is to make it more controllable from a research point of view, limiting the topic and organizations, thereby excluding certain areas. However this does not imply that the topics that were excluded from this research project do not require researching.
1.3.1 Management
Management is the tasks and activities performed by managers and involve planning, organizing, leading and controlling (Hellriegel, 2005: 7). The primary focus in this research will be on top and first level management. The reason for this is that this is where strategic management planning starts.

1.3.2 Size of the organization
Organizations with a workforce greater than 150 people will be used in this research. The rationale for this is that organizations with fewer than 150 employees do not have enough levels of management to warrant this type of research.

1.3.3 Geographical demarcation
The empirical component of this study will be limited to organizations within the following geographic areas: The businesses will be in the Gauteng area and covered by the Midrand Chamber of Commerce & Industry. The empirical survey will be conducted by e-mail/postal questionnaire.

1.3.4 Leadership
Leadership is the ability to inspire people, a group, a team or an organization to work together towards achieving worthwhile goals. It involves influencing, motivating and directing individuals or teams in such a way that they willingly pursue the goals and objectives of the group, team or organization (Nell, 2000: 31). Leadership will focus on top management and their ability to lead. The author will focus on issues involved in leadership in ever changing environments.

1.3.5 Strategic planning
This research will cover only planning as an element of strategic management. Strategic management as a whole is a wide concept that involves the organization as a whole.
1.4 DEFINITION OF KEY CONCEPTS

1.4.1 Strategic innovation
Strategic innovation involves backing the right idea, giving it the resources to be developed, and following the process to achieve the desired results. Innovation is typically associated with new technologies and the development of new products. Strategic innovation is the function, which enables an organization to grow and profit from opportunities that arise from the changing environment (Hussey, 1998:81).

1.4.2 Strategic planning
Van Niekerk (1988:38) describes strategic planning as a process by means of which long-term goals of the organization are determined. Factors to be considered include the values and philosophies of management, strengths and weaknesses and internal and external environmental factors. Strategic planning can be defined as an action plan to implement the strategies which are agreed on in order to achieve the organization’s long and short term goals (Thompson and Strickland, 1990:21).

1.4.3 Strategic management
Strategic management goes beyond planning and encompasses the managerial decisions and actions that determine the long-term performance of the organization from environmental scanning, strategy formulation, implementation, evaluation and control (Wheelen and Hunger, 1992:7).

1.4.4 Strategy
According to Byars (1992:18) a strategy is the determination and evaluation of alternative options that are available to the organization to reach its goals and mission. After determining and evaluating the possibilities, the best option is selected and implemented. A strategy can therefore, be regarded as an action plan to achieve organizational goals.
1.4.5 Management
Management is directly connected with and utilises actions such as planning, decision making, organising, communicating and leading, evaluating and supervising (Du Toit and Vosloo, 1982:21).
According to Robbins (2003:5) managers perform four management functions:

- Planning – a process that includes defining goals, establishing strategy and developing plans to co-ordinate activities.
- Organizing – determining what tasks are to be done, who is to do them, how the tasks are to be grouped, who reports to whom and where decisions are to be made.
- Leading – a function that includes motivating employees, directing others, selecting the most effective communication channels and resolving conflicts.
- Controlling – monitoring activities to ensure they are being accomplished as planned and correcting any significant deviations.

1.4.6 Leadership
The difference between management and leadership is that management ensures the accomplishment of a plan by controlling and problem solving. Leadership does this by motivating and inspiring.

Leaders are characterized by the following (Robbins, 1993:365):

- Leaders have active and personal attitudes towards goals.
- Leaders seek out risk and danger, especially if the reward is high.
- Leaders relate to people in an intuitive and empathic way.
- Leadership is dealing with change.
- Leaders develop a vision for the future and give direction to the organization. They align people by communicating this vision and inspiring them to overcome difficulties and obstacles.
Leadership can be defined as the competency and process required influencing and empowering people to achieve planned, set goals through consistent superior performance for the benefit of themselves and the organization.

1.5 ASSUMPTIONS

The assumption is made that top management regard strategic planning as important and also realize the role their leadership plays in the roles they perform.

1.6 SIGNIFICANCE OF THE RESEARCH

Leadership is one of the most important factors that influence the performance of an organization. It is the main activity through which organizational goals and objectives are achieved (Szilagyi and Wallace, 1990:384). Therefore, the performance of an organization is directly related to the quality of its leadership (Smit and Cronje, 1992:337).

Strategic planning is a valuable aid to the management of any organization. Strategic planning can serve as a starting point for compiling budgets, production schedules and the allocation of resources.

South African businesses no longer operate in isolation and changes in the micro and macro environment need to be addressed strategically. There are so many negative influences impacting on the well being of an organization. Leadership by top management thus plays an important role to counteract these threats and turn them into opportunities.
From the discussion above, the following can be concluded:

- Leadership is important for the success of an organization.
- Strategic planning and thinking is required for good strategy implementation.
- There is a significant link between leadership and strategic planning.

The researcher is of the opinion that the result of this study will be a resource for:

- Evaluating effective leadership strengths and weaknesses among top management.
- Identifying strategic planning shortcomings and recommendations for reducing or eliminating these shortcomings.
- Identifying effective leadership shortcomings and recommendations for reducing or eliminating these shortcomings.

### 1.7 RESEARCH METHODOLOGY

In order to resolve the main problem and sub-problems, the following methodology will be adopted:

#### 1.7.1 Literature survey

Guidelines for effective leadership and strategic planning will be identified by means of evaluating existing literature and theory and will be discussed in further detail in Chapter 2. The process used to identify these guidelines for effective leadership and strategic planning will consist of the following stages:

- Existing models and theories of leadership and strategic planning will be critically examined.
- The major advantages and disadvantages of each of these models and theories will be discussed.
• By evaluating the main contributions of each theory or model, recommendations for effective leadership and strategic planning will be identified.

1.7.2 **Empirical study**

1.7.2.1 **A questionnaire**
A questionnaire will be drawn up and sent out. Thereafter the responses obtained from the questionnaires are critically evaluated against the guidelines for effective leadership and the role it plays in strategic planning. The results are statistically combined and represented in tables.

1.7.2.2 **Sample**
The businesses will be in the Gauteng area and covered by the Midrand Chamber of Commerce & Industry (MCCI).

1.7.2.3 **Measurement**
It is the intention of this treatise to establish a framework, against which the key attributes, leadership and strategic management planning can be measured and understood. The main findings and recommendations are described.

**1.8 CONCLUSION**

In this chapter the main problem facing this study was defined, namely: How effective are managers/leaders in practising leadership in strategic management planning? Furthermore, in this chapter the boundaries of the study were established with regards to management level, geographic location, leadership level and the strategic planning aspect of strategic management. Concepts used in the title and main problem of this study were
defined, namely: leadership, strategic planning. The significance of the study was explained in detail. Lastly, describing the methodology that will be used to arrive at a solution for the main problem concluded the chapter.

1.9 ORGANIZATION OF TREATISE

The following chapters are included in this study:
Chapter 1  Problem statement and definition of concepts
Chapter 2  Strategic management – review of supporting literature
Chapter 3  Leadership definition, tasks and characteristics
Chapter 4  The gathering and processing of empirical information
Chapter 5  The results of the empirical study
Chapter 6  Findings, recommendations and conclusions
CHAPTER 2

STRATEGIC MANAGEMENT - REVIEW OF SUPPORTING LITERATURE

2.1 INTRODUCTION

In the previous chapter 1 a brief and concise outline was presented as to what the researcher intends to research and how he intends doing it. All the key variables relating to this treatise were discussed and will now be looked at in greater detail.

The objective of this chapter 2 is to gain an understanding of the various concepts that relates to strategic management and to process these concepts into a set of guidelines for effective strategic planning.

The key concepts that will be covered in the literature review are:

- Strategic Management
- Strategic Alignment
- Strategic Planning

2.2 STRATEGIC MANAGEMENT

The researcher will first discuss the strategic management process as a whole, as it is important to grasp all the factors influencing strategy? According to Nel (2000:50) strategic management is the process whereby managers establish an organization’s long term direction, set performance objectives, develop strategies to achieve these objectives, consider all the
relevant internal and external circumstances, and implement the chosen action plans.
Strategic management involves more than strategic planning. It is based on the fundamental ideas of strategy and management, and includes a range of management processes. In addition to planning, it includes implementation and supervision (Hahn, 1991). After thorough analysis and projection into the future, the main steps are: Identification of critical issues, generation, evaluation, selection, implementation and the control of strategic alternatives. Strategic management usually includes the definition of goals and objectives. These corporate goals need to be based on the shared values of top management, who largely determine the corporate culture. So, strategic management can be defined as involving the development and communication of the corporate goals, strategic plans, corporate philosophy and corporate culture.

An integrated strategic management process incorporates three components:
- the strategic plan
- the operational plan; and
- the results management
It is tied together through the concepts of integration and communication, with clear recognition that planning is an ongoing people process.

The above three components serve distinctly different purposes. The strategic plan focuses on the basic nature (mission) and direction (strategy) of the organization. The operational plan concentrates on how to implement the strategic plan and produce short term results. The results-management component is concerned with comparing performance with plan (both strategic and operational) and ensuring the achievement of results. Although each component serves a different purpose, they are highly integrated (Below, Morrisey & Acomb, 1987).
Strategic management activity is concerned with establishing objectives and goals for the organization. It is also concerned with maintaining a set of relationships between the organization and the environment. These relationships will enable the organization to pursue its objectives, are consistent with the organizational capabilities, and continue to be responsive to environmental demands (Ansoff & McDonnell, 1990).

One product of strategic management is the potential fulfilment of the organization’s objectives. These objectives consist of the input to the organization, such as finance availability, manpower, information and raw materials. At the output end, developed products and/or services are tested for their potential profitability.

Another product of strategic management is an internal structure and dynamics capable of continued responsiveness to changes in the external environment. This requires a managerial capability to interpret environmental change, coupled with a capability to conceive and guide strategic response, and an operational capability to conceive, develop, test and introduce new products and services (Nell, 2000: 510).

**2.2.1 Tasks and responsibilities of strategic management**

Nell, (2000:51) states that the critical tasks and responsibilities of strategic management can be defined as:

- Formulating the company’s mission, purpose, philosophy and goals
- Developing an internal company profile
- Assessing the company’s external environment
- Analysing the company’s options by matching its resources with the external environment
- Identifying the most desirable options by evaluating options according to the company’s mission
- Selecting a set of long term objectives and grand strategies; and
• Implementing strategic choices by means of budgeted resource allocations and evaluating and controlling the success of the strategic process as input for future decision making.

As these tasks indicate, strategic management involves the planning, directing, organising and controlling of a company’s strategy-related decisions and actions.

2.2.2 **Benefits of strategic management**
According to Nell (2000:42), using the strategic management approach, managers at all levels of an organization interact in planning and implementing. Therefore, the benefits of strategic management are similar to those of participative decision-making:

• Subordinates, who are aware of the needs of strategic planning, aid management in planning, monitoring and forecasting responsibilities.
• The strategic management process results in better decision-making, because group interaction generates a variety of strategies and forecasts based on the range of perspectives.
• Employee involvement in strategy formulation improves their understanding of productivity and reward relationships in every strategic plan and therefore heightens motivation.
• Resistance to change is reduced. Greater awareness of the parameters that limit options makes employees more likely to accept strategic decisions.
2.2.3 **Strategic management as a process**

**Figure 2.1 Generic model for strategic management process**

A process is the flow of information through inter-related stages of analysis towards the achievement of an objective. The strategic management model in Figure 2.1 depicts such a process. The flow of information involves historical, current and forecast data on the organization’s operations and environment (Nell, 2000: 52-53).

Viewing strategic management as a process has important implications (Pearce & Robinson, 1991). First, a change in any component will affect several or all of the other components. A second implication of viewing strategic management as a process is that strategy formulation and implementation are sequential. The process begins with the development or re-evaluation of the company’s mission. This step is associated with, but essentially followed by, the development of a company profile and an assessment of the external environment. Then strategic choice, definition of long-term objectives, the design of the grand strategy, definition of short
term objectives, the design of operating objectives, and implementation of the strategy, review and evaluation will follow.

A third consequence of viewing strategic management as a process, is that feedback should be obtained from the implementation of the process. Such feedback must be used to evaluate the early stages of the process. A fourth implication of viewing strategic management as a process, is that it has to be regarded as a dynamic system. The term “dynamic” characterises the constantly changing conditions that affect inter-related and interdependent strategic activities. Since change is continuous, the dynamic strategic planning process must be monitored for significant shifts in any of its components, as a precaution against implementing an obsolete strategy. The strategic management process must undergo continual assessment and updating. Although the elements of the basic strategic management model rarely change, the relative emphasis that each element receives varies with decision makers that use the model and with the company’s environment (Pearce & Robinson, 1991).

2.2.4 **Components of strategy making/execution process**
The main components of most strategy making/execution process models are listed below and discussed.

2.2.4.1 **Developing a vision and mission**
Vision is top management’s view and conclusions about the company’s direction and the product, customer, market and technology focus (Strickland 2005:18). The function of leadership is to form a clear and shared vision for the company and to secure commitment to vigorous pursuit of that vision. This is a universal requirement of leadership, and no matter what the style, the leader must perform this function (Collins & Lazier, 1993). The company mission is a broadly framed enduring statement of a firm’s intent. It embodies the business philosophy of the firm’s strategic decision makers, implies the image the firm seeks to project, reflects the firm’s self concept, and indicates
the firm’s principal product or service areas and the primary customer needs the firm will attempt to satisfy (Pearce & Robinson, 2003:23). Communicating the strategic vision down the line to lower level managers and employees is as important as the strategic soundness of the journey and destination for which top management has opted. An effectively communicated vision is management’s most valuable tool for enlisting the commitment of company personnel to actions that will make the vision a reality (Strickland, 2005:24).

2.2.4.2 Setting objectives
The purpose of setting objectives is to convert the strategic vision and mission into specific performance targets, the results and outcomes the company’s management want to achieve and then using these objectives as yardsticks for tracking the company’s progress and performance (Strickland, 2005:26-27).

2.2.4.3 Crafting strategy
A company’s overall strategy is really a collection of strategic initiatives and actions devised by managers and key employees up and down the whole organizational hierarchy. In diversified multi-business companies where the strategies of several different businesses have to be managed, the strategy making task involves four distinct levels of strategy, each of which involves different facets of the company’s overall strategy (Strickland, 2005:32).

(a) Corporate strategy
This consists of the kinds of initiatives the company uses to establish business positions in different industries, the approach corporate executives pursue to boost the combined performance of the set of business the company diversifies into, and the means of capturing cross-business synergies and turning them into competitive advantage (Strickland, 2005:34).
(b) **Business strategy**
This concern the actions and the approaches crafted to produce successful performance in one specific line of business. The key focus here is crafting responses to changing market circumstances and initiating actions to strengthen market position, build competitive advantage, and develop strong competitive capabilities (Strickland, 2005:34).

(c) **Functional area strategy**
This concerns actions, approaches and practices to be employed in managing particular functions or business processes or key activities within a business (Strickland, 2005:36).

(d) **Operational strategies**
These concern relatively narrow strategic initiatives and approaches for managing key operating units (plants, distribution centres) and specific operating activities with strategic significance (advertising campaigns) (Strickland, 2005:36).

2.2.4.4 **Implementing and executing the strategy**
Managing the implementation and execution of strategy is an operations-oriented, make things happen, activity aimed at shaping the performance of core business activities in a strategy-supportive manner. To convert strategic plans into actions and results, a manager must be able to direct organizational change, motivate people, build and strengthen company competencies and competitive capabilities, create a strategy-supportive work climate and meet or beat performance targets (Strickland, 2005:38).

2.2.4.5 **Initiating corrective adjustments**
This relates to evaluation of performance and initiating corrective adjustments in vision, long term direction, objectives, strategy, or execution in light of actual experience, changing conditions, new ideas and new opportunities. This is the trigger point for deciding whether to continue or change the company’s
vision, objectives, strategy, and/or strategy execution methods (Strickland, 2005:42).

2.3 STRATEGIC ALIGNMENT

Haines (2000:4) says from his experience, "highly successful corporations are organized, managed and led as an integrated system, and that the function of this integrated systems framework is for all parts of the organization to be strategically aligned and attuned". When strategy, culture and leadership are not aligned, it very often creates confusion and disruption within the organization. For a new vision and strategy to be successfully realized, the organization's core values, culture, and leadership behaviours must be compatible and properly aligned, otherwise they will constantly be in competition and working against each other.

According to The Systems Thinking Approach to Strategic Planning and Management, Haines (2000:10) speaks throughout, about the importance of aligning the organization's values, culture, leadership beliefs and practices to their organization's vision and strategy. There are a number of reasons why many organizations today lack this critical alignment between strategy, culture, and leadership. One of the main reasons is that the strategies and cultures, which made organizations successful in the past, are no longer appropriate or successful in today's complex and competitive business environment. In the past, competition was basically local and the business environment and business growth was much more stable and predictable. As a result of these conditions, organizations developed an inward managerial focus, and cultures were developed that supported bureaucracy, internal position power, managerial competencies, and command and control leadership behaviours. In this environment and culture, employees were viewed, as a commodity and cost, were there to do the work given to them,
and to follow directions without questioning why. The change to a knowledge economy from an industrial economy has also brought about a dramatic change in the traditional power base. In the industrial economy, the organization held the power and control, in the knowledge economy the power has shifted much more to the employee. If employees don’t get what they want out of the employment relationship in one organization, they will move to another who does provide what they want. Old style cultures and leadership behaviours of command and control are just not compatible with the expectations and demands of today’s employees. In outlining the many changes facing organizations today, Haines (2000:4) talks about “the radical paradigm shift in employee values and expectations, and how this has had a significant impact on how organizations lead”. The changes he states include “empowerment, individual creativity and autonomy, collaboration, and participation in the outcomes of their organization”.

If organizations are to attract and retain high quality talent, their culture and leadership must be closely aligned not only to their strategy, but also to the expectations of a much more independent, self-sufficient, highly mobile and educated work force.

In conclusion, many organizations today recognize the need to develop new strategies, which reflect the new business realities, but fail to realize the major implications that this has on their current culture and leadership practices. Although many organizations state that they value employees as an important asset, their actual working culture and leadership practices do not reflect this. They fail to understand how these three major organizational systems are connected, and that strategic analysis must also include assessing the company’s culture and leadership practices, to ensure that they are aligned and strategically compatible to their new business strategies.
2.4 STRATEGIC PLANNING

Strategy development and strategic planning have been around for a long time and are considered by many to be the high point of managerial activity. Fry and Killing (2000:17-19) describe strategic planning as “the definitive tool for building, communicating, and maintaining the direction of a business”. They say that, "it is a link to action, to translate general ideas about direction and performance into more explicit actionable terms, and to provide a touchstone for continuity and continuous improvement".

Strategic planning consists of the following primary building blocks (Nell, 2000:54):

- Defining the organization’s business and strategic mission
- Assessing the company’s current position
- Identifying the company’s desired position
- Evaluating the strategic gap between the two and the critical issues that need to be resolved to close the gap.
- Establishing strategic objectives and performance targets
- Formulating strategies and action steps to achieve targeted objectives and resolve critical issues.

It is clear that strategic planning is an important part of the strategic management process. It encompasses the three top phases of the strategic management model as shown in figure 2.1 above. Strategic planning should not be confused with strategic management, but should be recognised as an essential part of the process.

2.4.1 Differences between strategic planning and strategic thinking

According to Ansoff (1994:31-32), strategic planning is not strategic thinking. Indeed, according to him strategic planning often spoils strategic thinking, causing managers to confuse real vision with the manipulation of numbers.
This confusion lies at the heart of the issue: the most successful strategies are visions, not plans. Strategic planning, as it has been practised, has really been strategic programming. The articulation and elaboration of strategies or visions that already exist. In contrast, strategic thinking is about synthesis, and involves intuition and creativity.

**Table 2.1**

Lewin (1999:215) made a distinction between strategic planning and thinking:

<table>
<thead>
<tr>
<th>STRATEGIC PLANNING</th>
<th>STRATEGIC THINKING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior executives only</td>
<td>Draws on all levels of the company</td>
</tr>
<tr>
<td>Formal</td>
<td>Chaotic, informal</td>
</tr>
<tr>
<td>Plans and specific steps</td>
<td>Strategy developed by people involved at client level</td>
</tr>
<tr>
<td>Head office planners do the thinking and distribute the plan</td>
<td>Strategy process to suite business need</td>
</tr>
<tr>
<td>Generic strategy process applied to any culture and business situation</td>
<td>Continuous process, no timed output</td>
</tr>
<tr>
<td>Structured planning period, like budget period</td>
<td>Loose process, theme based</td>
</tr>
<tr>
<td>Structured session with agenda</td>
<td>No immediate answer, combination of intuition and facts</td>
</tr>
<tr>
<td>Correct answers and compliance with senior management</td>
<td>Innovative measurement, linked to a business plan, customer satisfaction and human resources</td>
</tr>
<tr>
<td>Control with normative measurements, only financial</td>
<td>Greta variety, each focusing on a different angle of business</td>
</tr>
<tr>
<td>Established format</td>
<td></td>
</tr>
</tbody>
</table>
In figure 2.2 a generic strategic planning process model is presented. It represents the sequential nature of the strategic planning process to reach the goal of strategic and implementation plans. The process is, however in reality, inherently iterative with many feedback and feed-forward loops.

Figure 2.2  **Generic Strategic planning process model**  
(Hellriegel, 2005:78-82)

Task 1: Develop mission and goals  
An organization’s mission and goals are developed by answering questions such as: What business are we in? To what are we committed? What results do we want to achieve? General goals provide broad direction for decision making and may not change from year to year. The mission and goals are not developed in isolation, as indicated in figure 2.2. They are influenced by a diagnosis of the organization’s environmental threats and opportunities (Task 2) and the strengths and weaknesses (Task 3).
Task 2: Assess threats and opportunities
Trends and developments in both the domestic and global business environment can represent significant threats or opportunities for an organization. Strategic planning helps managers identify these threats and opportunities and to take them into account in developing the organization’s mission, goals, plan and strategies. The task environment exerts the most direct influence on an organization’s strategic planning process. Micheal Porter suggested five competitive forces that need to be diagnosed by a firm at any particular time. These are

- Threat of new competitors
- Customer bargaining power
- Supplier bargaining power
- Threat of substitute products
- Rivalry amongst existing firms in the industry

To be effective, strategic planning must include a careful diagnosis of these forces.

Task 3: Assess strengths and weaknesses
The assessment of internal strengths and weaknesses enables managers to identify an organization’s core competencies and to determine which need to be improved. This assessment covers factors such as the organization’s relative competitive position, ability to adapt and innovate, human resource skills, technological capabilities, financial resources, and managerial depth, and the values and backgrounds of its key employees.

Task 4: Formulate strategies
The assessment process and development of organizational goals are closely linked to formulating organizational strategies. Potential strategies, in turn, must be evaluated in terms of:

- Environmental forces
- The organization’s strengths and weaknesses
• The likelihood that the strategies will help the organization achieve its mission and goals.

Task 5: Develop a strategic plan
After formulating alternative strategies and selecting from them, management are ready to develop a strategic plan.
The plan should contain:
• Statement of organizational mission and goals
• Strategies for obtaining and using the necessary technological, marketing, financial, and human resources to achieve those goals.
• Strategies for developing and using organizational and employee competencies
The strategic plan may also include a summary of the diagnosis of external opportunities and threats and internal strengths and weaknesses.

Task 6: Develop tactical plans
The purpose of tactical plans is to help implement strategic plans. Middle and first line managers and employee teams normally base tactical plans on the organization’s strategic plan.

Task 7: Control and assess results
Strategic and tactical planning must be accompanied by controls to ensure implementation of the plans and evaluation of their results. If the plans have not produced the desired results, managers and teams may need to change the controls, mission, goals or strategies, or the plans themselves. The lack of planning can lead to extinction by instinct, and poor, drawn out planning, can lead to paralysis by analysis. A thorough assessment of the results of planning should reveal whether either of these conditions exists.

Task 8: Repeat the planning process
The forces that affect organizations are constantly changing. Sometimes these changes are gradual and foreseeable. At other times they are abrupt and
unpredictable. Whatever the nature of change, managers and employees need to be ready to adapt or innovate by repeating the planning process. Hence planning is an ongoing process, it is always a means, never an end in itself.

2.5 CONCLUSION

Pennington (1998:20) states that there is a need to align management objectives with the extent to which the vision, goals, objectives and actions are shared throughout the organization. He believes that top management does not have a purpose, until they provide clear direction to everybody else in the organization.

The most important traits of management that are required for the support of strategic planning have been identified, as well as how management can use strategic planning to meet the organization’s goals and objectives.

The following chapter will focus on leadership and how leadership can be used to assist strategic planning.
CHAPTER 3
LEADERSHIP DEFINITION, TASKS AND CHARACTERISTICS

3.1 INTRODUCTION

The previous chapter 2, focussed on addressing the first sub-problem. It looked at all the aspects relating to strategic management planning, what it entails and how it can be utilized to assist in achieving organizational goals and objectives.

In this chapter the objective is to gain an understanding into what leadership is all about, see what characteristics leader should possess and to see the importance of effective leadership in strategic planning and how it can aid strategic planning.

This chapter will focus on:

- Definitions of leadership
- Management versus leadership
- Leadership power
- Tasks of leadership
- Leadership influence on strategic planning

3.2 LEADERSHIP DEFINED

There are many definitions of leadership. In the following section a few short interpretations of leadership as defined by authors in this field of study will be given:
Robbins (2003: 314) defines leadership as the ability to influence a group toward the achievement of goals. He goes further to state that the source of this influence the person has over his followers may be as a result of the position the person has within the organization.

Edwards (2000: 32) defines leadership as developing people, by giving them the ability and means to perform the function, and then requires their willingness to get on with it. He believes that the single most significant reason why managers are not successful in their leadership roles is because managers are held accountable for what they get from people, and not what they give them. He further states that too much emphasis is placed on serving the boss, rather than serving the customer.

Leadership involves influencing others to act towards the attainment of a goal. It is based on interpersonal relationships, not administrative activities and directives. People throughout an organization can exercise leadership, and the best organizations have effective leaders at all levels (Hellriegel, 2005: 286-287).

Organizational performance is influenced by leadership. The reason for this being that leadership is the primary function for accomplishing organizational goals (Szilagyi and Wallace, 1990: 384-385).

Leadership is the ability to inspire people, a group, a team or an organization to work together towards achieving worthwhile goals. It involves influencing, motivating and directing individuals or teams in such a way that they willingly pursue the goals and objectives of the group, team or organization (Nell, 2000: 33).
For the purpose of this paper, leadership can be defined as follows: Leadership is the process whereby leaders influence, control and guide the behaviour of individuals or groups in such a way that they work to pursue the objectives of the organization.

### 3.3 MANAGEMENT VERSUS LEADERSHIP

It is important to distinguish between leadership and management, as there are differences between the two. A manager is a person who plans, organizes, directs, and controls the allocation of human, material, financial and information resources in pursuit of the organization’s goal (Hellriegel, 2005:6).

The manager has a formal position in the organization and achieves his results by guiding and controlling the activities of his subordinates (Newstrom and Davis, 1993:222-223).

A leader provides a vision. The leader shapes and shares a vision and that vision points to the work of others. A manager would not be seen as providing vision but would be working in accordance with the vision provided by a leader. The vision provided by the leader must be different from what others have. It must be a re-formulation or a re-organization that is unique. The vision must also make sense to others and relate to their work. The vision must be understandable and the leader must live the vision. A key point here is that the leader needs other people to realize the vision (Handy, 1992).

The emergence of management is largely a response to developments in the twentieth century and the emergence of large complex organizations. Management has to do with coping with complexity. Leadership has to do with coping with change. As businesses become more volatile and more
competitive, more change can be expected. With more change the need for leadership becomes greater (Kotter, 1992).

These two different functions of coping with complexity and coping with change influence the activities of management and leadership.

3.4 LEADERSHIP POWER

Hellriegel (2005:287) describes power as the ability to influence the behaviour of others. Leaders exercise power, and effective leaders know how to use it wisely. The types of power used by a leader reveal a great deal about why others follow that individual. One of the most useful frameworks for understanding the power of leaders was developed by John French and Bertram Raven. They identified five types of power:

3.4.1 Legitimate power
Influence based on the leader’s formal position in the organizational hierarchy is legitimate power.

3.4.2 Reward power
The influence stemming from a leaders ability to satisfy followers needs is reward power.

3.4.3 Coercive power
The ability of a leader to obtain compliance through fear or punishment is coercive power.

3.4.4 Referent power
Influence based on a follower’s personal identification with the leader is referent power.
3.4.5 **Expert Power**
A leader’s specialized knowledge grants that person expert power.

It is important to note that not only leaders have power, but certain followers may also possess power. It is possible that a leader may depend on one of his followers for certain expertise and skill, or to perform a specialist task. It could also happen that a certain follower has a social influence on the other followers. Therefore, to be effective, a leader must find a healthy balance between their power and that of his followers (Smith and Cronje, 1992:337).

3.5 **TASKS OF LEADERSHIP**
Good and effective leadership is important to any organization. The performance of an organization is directly related to the quality and effectiveness of its leadership.

The following are key tasks of effective leadership (Collins & Parras, 1996: 65-77):

3.5.1 **Setting Mission, Purpose and Values**
Leaders play a central role in identifying and ensuring that the organization fulfils its mission or purpose. The organization's purpose, as suggested, provides a frame of reference for why the organization does things. It also provides the basis for framing vision and goals for the organization. To be effective, the organization's sense of purpose must have the commitment of its members. This effectively means that members of the organization must be able to align their own sense of vision and purpose with that of the leader's so that a collective statement emerges for the organization. In so doing, it unifies the efforts of its members and enables a broader group of individuals to play a leadership role in the organization.
Identifying and institutionalizing a shared sense of purpose and values is the work of leadership. A sense of purpose and, perhaps more importantly, values also provide the underpinnings for the organization's culture, which in turn can affect the organization's ability to navigate or adapt effectively to change. Culture influences group behaviour and as such can have a considerable impact on the success of change initiatives. For example, an organizational culture that values and shares responsibility, adaptability, and individual initiative may have greater success with major change.

A strong sense of purpose has another important effect: promoting innovation in the organization. Because a purpose is meant to be an enduring aspect of the organization, it is unlikely that it is ever fulfilled. By its very nature then, purpose can give an organization something to continually aspire towards. Consequently, it should stimulate change and progress, that is, innovation in the organization.

3.5.2 Scanning the Environment
Scanning and understanding the environment is a critical task of the work of leadership. Environment, in this context, refers to the milieu, which we understand to characterize the internal workings of the organization, and the 'external' environment, of which the organization is part.

The act of scanning the environment helps the leader and organization to better understand the relationship between the organization and environment, and in so doing, shapes the development of goals and what is hereafter described as the strategic framework.
Scanning is not an event as much as it is a continuous learning process. Although leaders may undertake an initial scan to acquaint themselves with the specifics of a given situation so that a plan can be developed, they will have to continue to assess changes in the environment, both internal and external, as a basis for adjusting plans and strategies as required.
3.5.3 Setting the strategic framework - goals, measures of success, guidelines.

Using the organization's shared sense of purpose as a basis, leaders have a responsibility for establishing a strategic framework for the organization. A strategic framework includes goals and measures of success for the organization, as well as guidelines, which suggest how the goals might be realized. Guidelines may be established around activities such as reporting and information sharing to ensure coordinated effort. In this sense, the strategic framework provides a basis for planning and priority setting for the organization. While the leader may establish priorities, goals and measures, the specifics of individual plans, that is, there supporting strategies are not set by the leader, but instead are determined by those who will implement them. Strategy, in this regard, may be said to emerge from the various parts of the organization.

The principal role, therefore, for the leader is to ensure co-ordination of effort and consistency with the overall strategic framework. At the same time it is recognized that the leader must provide some sense of unity and focus to efforts. While leaders do plan in the manner described, they and their organizations must also be prepared to adapt or improvise their plans as required. The need to adapt priorities and plans will increase the further out in the future that plans are established. In a rapidly changing environment, leaders and their organizations must be able to assess and refocus their efforts quickly. This requires a well developed capacity for learning, effective communication and information sharing.

3.5.4 Motivating

Leaders must tap into the motives of members of their organization in order to foster collective action in the pursuit of shared goals. To transform an organization, they must ultimately be able to encourage learning and innovation. They do this in a variety of ways: by developing the right culture, shifting behaviours and attitudes, and developing a shared sense of purpose.
and values among people. Culture, as already suggested, is based on a shared sense of purpose and set of values.

More generally, people are motivated and a positive culture reinforced through strong communication, which, in turn, builds trust. Communication and trust, as is suggested, are fundamental to the development of a learning organization.

3.5.5 Communicating and Building Trust
Communication and the capacity to build trust are highly inter-related. Leaders must build and preserve trust. They must have the capacity to inspire trust in themselves. Their effectiveness as communicators affects the ability of any leader to be an effective teacher, a role model, or mentor, Trust is built through effective communications, and communications are more effective when there is trust. Trust and effective communication, therefore, are cornerstones of a learning organization.

Effective communication is characterized by the ability to convey and clarify meaning. Kotter notes that transformation efforts can be derailed by poor communication as defined in terms of under communication, ineffective communication and inconsistent communication. These three communication pitfalls are interrelated. Under-communication occurs when elaborate change efforts are communicated to members of an organization through a single memo or meeting, with the result that few people grasp the essence of the transformation. Ineffective communication characterizes the inability to communicate a message despite intentions to do so. Without clarity and understanding, the leadership of an organization will find it difficult if not impossible to communicate meaning to the members of the organization. In the absence of shared meanings and interpretations of reality, coordinated action will be difficult to facilitate. Inconsistent communication is all too common and can be extremely damaging to an organization. When the leaders of an organization go to great lengths to communicate a change
program and the need for change, their efforts can be easily undermined when their day-to-day actions are inconsistent with their messages.

3.5.6 Leadership Development
Leadership development is a dimension of the leader's role as teacher. However, it is a significant dimension, and as such, warrants separate discussion.

Can leadership be taught? A number of leadership theorists would suggest that it can, but with certain characteristics in a leader may be genetically determined, such as level of energy. It is the course of events and influences on an individual that can ultimately determine their development as a leader. And one of the most influential events affecting the development of leaders is their exposure to opportunities to develop leadership traits.

3.5.7 Teaching and learning
The capacity for both teaching and learning are vital for successful leadership, particularly transformative leadership. Looking first at the importance of teaching, there is little debate as to its relevance to leadership, particularly in learning organizations.

The work of Peter Senge (1990) identifies teaching as one of three major roles for leaders in learning organizations. More specifically, he sees the role of teacher as one whereby leaders help others develop systemic understandings, and encourage independent thought. In that regard, the leader will invite debate over his/her strategic framework for the organization as a way of encouraging deeper understanding and learning among members of the organization.
3.6 **LEADERSHIP INFLUENCE ON STRATEGIC PLANNING**

Kemp (2000:34) outlines the key aspects of strategic planning as being:

- Direction
- Leadership
- Vision/Ambition of the organization
- Mission/Purpose
- Resources available for the implementation of plans
- The interaction with the world
- The supply chain

Kemp believes that “...it is the responsibility of the leaders of the organization to ensure that the planning and implementation of strategic plans are activities high on both the people and task dimensions of the leadership model. Otherwise strategic planning will probably be a negative experience for most and their negative attitude towards it will be a direct outcome of the incorrect style of leaders.”

Beerel (1998:26) points out that, "during the early 1990s strategic planning lost much of its prominence as a highly skilled management technique and became more of a functional exercise which lost its spirit of creativity and challenge". Beerel goes on to say that: “In many organizations, strategy development has been replaced by more of a yearly budgeting event, which is viewed as a necessary but time consuming function that requires a lot of energy, and that the planning aspect of the event usually focuses on an analysis of current issues and problems facing the organization, and the development of technical solutions to deal with these problems.” Recognizing the limitations of this type of planning is important. To be effective, strategy development and strategic planning needs to be a flexible and integrated process which includes assessing the current culture against the new strategic
intent and assessing new strategies against current organizational structures, systems and processes. From an implementation perspective, effective leadership and employee support is key. This includes ensuring that strategies are meaningfully integrated into the fabric and structure of the organization's day to day activities, and that people in the organization clearly understand and support the strategic objectives and organizational changes, and how their function fits into the overall plan.

Haines (2000:30) says "to be successfully implemented, the strategic plan needs to be built into a structure that is designed to lead and manage the organization as it continues to grow, develop, and change, and it must be led and managed day to day".

Beerel (1998: 166) clearly sees effective leadership as being integral to strategic planning. She states that the strategic planner needs to: "mobilize the resources of the organization to effectively honour their values and commitments, provide space while inspiring and activating energy, provide a vision for the future that has appeal that can be owned and embraced by others, maximize the potential of others and assist followers to embrace change".

An integral part of strategy development and strategic planning is clearly articulating the mission of the organization, developing a future vision that will lead the organization forward, identifying changes that need to be made to realize the desired vision, and building a plan of action that will translate and implement new concepts and ideas into realities. As the core mission of the organization is the foundation for everything else, it is critical to have agreement and consensus of the core mission by all members, and to ensure that the goals of the core mission, are clearly understood and articulated, so that they are aligned to the strategic intent and developed into appropriate and effective strategies and activities.
Schein (1997:56) states that, consensus on the core mission does not automatically guarantee that the members of the group will have common goals regarding the mission. He says that, to achieve consensus on goals, the group needs a common language and shared assumptions about what the basic logical operations of the mission are, in order to move from the abstract to the concrete goals of how to achieve the mission. Systems thinking, understanding the systemic implications of a new strategic intent on the current organization is extremely important if new strategies are to be successful. If the new strategies are in conflict with the organization's current realities, it creates confusion and anxiety, and negatively effects achievement of successful outcomes.

Haines (2000:54-59) says that many organizations today are recognizing that they must do a better job of strategy development and strategic planning if they are to compete and thrive in today's fast paced and complex business environment. Integral to effective strategy development and strategic planning is recognizing how strategy is linked to and affects all aspects of the organization, and an understanding of the importance of aligning leadership beliefs and practices to organizational culture and strategy.

## 3.7 CONCLUSION

This chapter focused on the guidelines for effective leadership. It also showed that no single, universally accepted theory of leadership exists. Each of the perspectives covered in this chapter provides us with insight into the study of leadership.

The key characteristics that leaders possess are identified as follows:

- Ability to inspire people
- Verbal assertiveness
- Communicating honestly
- Dedication to organizational goals
• Willingness to take risks
• Supportive
• Self confident
• Focused
• Creative
• Influential
• Stable
• Energetic

This chapter further showed that leadership is of key importance in the strategic planning process. Avollio and Berson (2000:4-5) states that the successful execution of the organization’s mission depends largely on the strategic leadership capacity to cascade the vision down to all employees. The more successful organizations today are able to diffuse leadership, and get more individuals to exercise across all levels of the organization. A lack of strategic leadership affects the motivation of people to communicate, collaborate and share knowledge. This implies that effective strategic leadership can set the direction in which an entire organization can pursue its vision with a high level of alignment.

Based on the literature research presented in Chapter 2 and 3, a research questionnaire will be designed that will be discussed in Chapter 4.
CHAPTER 4

THE GATHERING AND PROCESSING OF EMPIRICAL INFORMATION

4.1 INTRODUCTION

In chapter 3 the researcher focussed on addressing the second sub-problem. It looked at various attributes and aspects relating to leadership, what it entails and how it can be utilized to assist leaders and managers in becoming more effective in achieving organizational goals and objectives.

In order to establish how leaders compare with the theory of leadership and strategic planning, it is necessary to gather information regarding the actual behaviour and environment in which it occurs in organizations. This chapter will first critically examine the various investigation and assessment tools. Secondly describe the survey method used by the researcher and the theoretical basis for conducting the empirical research. It also describes the questionnaire, bias in research design, the survey population and how the survey was administered.

4.2 DATA COLLECTION METHODS

To achieve the objectives of any research, it usually requires the gathering of new information. There are various methods of data collection and three broad categories for data collection can be identified. These categories of data collection are identified and defined as follows (Schnetler, Stoker, Dixon, Herbst, & Geldenhuys, 1989:15-49):
4.2.1 **Standardised data collection**
This category consists of tests to measure characteristics such as intelligence, aptitude, ability, achievement, interest, habits, and personality characteristics. The measurement instruments used in this category are standardised and administered according to a standard procedure described in a user’s manual. A typical example of a measurement instrument in this category is the well-known IQ test.

4.2.2 **Unstructured data collection**
This data collection method takes the form of an unstructured or free interview, in-depth discussion without a fixed schedule or questionnaire. In this category of data collection the emphasis is on individual cases and not on group behaviour. Observation is another form of unstructured data collection that is used in research where persons are unable to express themselves through normal communication. Observation is a very specialised technique and requires considerable experience in it to be of good effect.

4.2.3 **Structured data collection**
This data collection method makes use of a formalised list of questions or a questionnaire to obtain the information required. The four structured data collection methods will now be discussed in more detail in the following paragraphs.

4.3 **STRUCTURED DATA COLLECTION**
As mentioned in the previous paragraph there is four categories of structured data collection. These four categories are individual interviews, group completion of individual questionnaires, the telephone survey, and the postal survey. A concise definition of each of the categories as well as the advantages and disadvantages associated with each follows:
4.3.1  Individual interviews
The individual interview is usually conducted at the respondent’s home. By using this type of data collection method, it allows the interviewer to communicate by asking questions using voice, body language, facial expressions, etc, and allows the interviewee to make use of voice, body language, facial expressions, etc. to formulate his response (Schnetler et al, 1989:16).

Bless and Higson-Smith (1995:111) identifies three clear advantages of individual interviews as a data collection method. Firstly, this form of data collection can be administered to illiterate respondents. Because the interviewer reads the question and writes down the response, the respondent does not have to be able to read and write. Secondly, the interviewer has the opportunity to further explain a question or words in a question if he senses that the respondent does not fully understand the question. Thirdly, by using the interview method, the interviewer can ensure that all the questions are answered, and that difficult questions are not left out. This is made possible due to the fact that the interviewer is personally administering the questionnaire. A further advantage of the interview is that it has the highest response rate of all data collection methods (Meuman, 1994:245). Lastly, an important advantage to be obtained from interviewing is the personal contact and interaction between the interviewer and the respondent during the interview process (Jackson, 1995:122).

Jackson (1995:122) identifies two major disadvantages to the individual interview. Firstly, using the individual interview as survey method is one of the most expensive methods of survey. Secondly, it is a very time consuming method of data collection. One interviewer can only handle a limited number of respondents per day, and therefore time becomes a limitation. This disadvantage unfolds into an additional disadvantage: in order to reduce the time constraint, the researcher can make use of more interviewers. These interviewers need to be sufficiently trained; otherwise inconsistent responses
to certain questions may arise (Bless and Higson-Smith, 1995:111). Lastly, interviewers may be reluctant to visit neighbourhoods they are not familiar with (Emory and Cooper, 1991: 320-321). This means that samples can be limited to selected geographic areas, which could lead to the increase in sample error.

### 4.3.2 Group completion of individual questionnaires

This type of data collection is a combination of the individual interview and the postal survey. The respondent completes the questionnaire, but the researcher is present to answer any questions or queries regarding the questionnaire. This method is usually used when it is convenient to meet with groups of respondents (Schnetler et al. 1989:25).

As with the individual interview there are many advantages to this type of data collection method. The following two advantages are worth defining: Firstly, this type of data collection almost always results in a good response rate. Generally between 90% and 100% of respondents will complete the questionnaire in a group environment. This high response rate is a result of a fair amount of group pressure on the individual to complete the questionnaire (Jackson, 1995:111-112). Secondly, the unit cost of administering this method is low as large groups of respondents are handled together (Schnetler et al, 1989: 26-27).

However, the following disadvantages of the group completion of individual questionnaires are identified: Firstly, certain members of the group may decide to make a joke of answering the questionnaire truthfully (Jackson, 1995: 112). This does not happen often, but the researcher must be vigilant and disregard any questionnaires that were not completed in good faith. Secondly, although the unit cost is lower, it is still possible to obtain extensive geographic representation due to time and cost constraints. Thirdly, group pressure could result in skewed response from respondents. Fourthly, certain respondents may feel restricted, as they have to adapt to the circumstances
of others. Fifthly, the questionnaire is inflexible and highly structured and the
respondent does not have the opportunity to answer in his own words. Lastly,
and important in the South African context, this method is restricted to

4.3.3 The telephone survey
In this method of data collection the interviewer interviews the respondent
using the telephone. This results in verbal communication between the
interviewer and the respondent, and the interviewer completes the
questionnaire (Schnetler et al. 1989:28).

There are many advantages to this type of data collection method. Firstly,
Emory and Cooper (1991:330-332) state that one of the most important
advantages of this type of data collection method was its moderate cost. This
saving in cost was obtained in comparison to the personal interview, by
eliminating the necessity to travel. Secondly, by making use of a computer,
the interviewer could enter the response into the computer as the telephone
survey was progressing, thereby saving not only money, but time as well.
Thirdly, a large proportion of the population can be reached by telephone.
Therefore, due to the fact that the geographic coverage is very good, the
telephone survey is an inexpensive method of enlarging the research
population and sample size (Neuman, 1994:244-245). Lastly, the respondents
do not have to be literate as the interviewer reads and completes the
questionnaire for them (Schnetler et al, 1989:28-29).

The following disadvantages to this survey method are defined: Firstly,
respondents must be accessible by telephone, and this could lead to an under-
represented response from the lower socio-economic environments. Secondly,
it is not always possible for the interviewer to convey his honest intentions to
the respondent over the telephone and this may leave the respondent
suspicious of the survey, and he could therefore refuse to take part in it
(Jackson, 1995:119-120). Thirdly, this method does not lend itself to open-
ended questions, or questions requiring visual aids (Neuman, 1994:224-245). Lastly, the length of time that the telephone interview can take is limited. Most people become irritated if an interview lasts over ten minutes, therefore restricting the number of questions the interviewer can ask (Schnetler et al, 1989:29-30) (Emory and Cooper, 1991:331-332).

4.3.4 **The postal survey**

This data collection method makes use of the postal service for the sending out and returns of questionnaires. A variation of this type of data collection method is when the researcher hands out the questionnaire by hand to the respondents after which they are returned by post or collected by the sender. It must be stated that a very important aspect of this surveying method is that the respondent completes the questionnaire himself and it is the only form of communication between the researcher and the respondent (Schnetler et al, 1989:19).

There are various advantages to this type of survey method. Firstly, this is a low unit cost surveying method as it usually only involves printing cost and postal tariffs (Jackson, 1995:112-113). Secondly, distance and accessibility do not pose significant problems and therefore there is greater geographic coverage. Thirdly, this method gives the respondent the freedom and time to decide when, where and if he will complete the questionnaire (Emory and Cooper, 1991:332-333). Fourthly, postal questionnaires are usually anonymous and this decreases the risk that the respondent will feel threatened and not return the questionnaire (Allison, O’Sullivan, Owen, Rice, Rothwell, & Saunders, 1996:47). Lastly, this is a speedy survey method as many respondents can be surveyed in relatively short time span and questionnaires can be structured to facilitate the processing of responses (Schnetler et al, 1989:19-20).

The major disadvantages associated with this type of data collection are defined as follows: Firstly, that the postal questionnaire has a high rate of
non-response. Secondly, it is felt that respondents will not co-operate if the questionnaire is long and complex. Therefore, the respondent may not have the opportunity to clarify his response to a specific question (Emory and Cooper, 1991:332-333). Thirdly, the researcher has no influence over the conditions that exist when the questionnaire is completed. Fourthly, there is the concern that somebody other than the targeted respondent may complete the questionnaire without the researcher’s knowledge. This can have an impact on the validity of the response information. Fifthly, incomplete questionnaires that are returned to the researcher can be a serious problem. Lastly, the postal questionnaire limits the researcher in the types of questions he can ask. Open-ended and complex questions are not suited to the postal questionnaire (Neuman, 1994:242-244).

As mentioned above, a variation of the postal survey is where the questionnaire is handed out to the respondents and collected back from them. This type of data collection is also known as the self-administered questionnaire (Allison et al, 1996:48-49).

As compared to the standard postal survey, the self-administered questionnaire has the following advantages over the postal survey: Firstly, it requires less time than the postal survey to administer. Secondly, it allows the respondents to get clarity and ask questions regarding ambiguous questions that would not be possible with a postal survey (Allison et al, 1996:48-49).

4.3.5 The choice of survey method
Taking into consideration all the advantages and disadvantages of the various survey methods, it was decided to make use of the self administered questionnaire for the following reasons based on the findings of Emory and Cooper (1991:338) and Schnetler et al (1989:19-20):

- It was the lowest cost method.
- Respondents perceive this method to be more anonymous.
- It gives respondents enough time to think about questions.
• The stimulus provided to each respondent is identical in all cases.
• Information can be speedily obtained from many respondents.

4.4 DESIGNING AND ADMINISTERING A QUESTIONNAIRE

A common tool used by researchers to gather data is the questionnaire. The questionnaire is a totally impersonal investigation tool (Leedy, 1997:91).

The questionnaire is a complex tool of data collection (Bless and Higson-Smith, 1995:115). Certain criteria are therefore important to ensure that quality information is obtained from the questionnaire. In view of this fact, questionnaires should be constructed according to certain principles.

4.4.1 Questionnaire construction

It is important when designing a questionnaire to list the research issues that need to be investigated by the questionnaire (Bless and Higson-Smith, 1995:115). There are five questionnaire design stages that must be considered when designing a questionnaire. They are:

• Question content
• Question type
• Question formulation
• Question wording, and
• Questionnaire layout

The above will be discussed in more detail.

4.4.1.1 Question content

Question content varies according to the type of information the questionnaire is designed to collect. Schnetler et al. (1989:45) identify three types of questions:
• Factual questions which are used to obtain biographical data about respondents.
• Questions concerning opinions and attitudes. Questions concerning opinions attempt to establish the respondent’s thoughts and feelings on a specific subject at a specific time. Questions on attitudes attempt to determine the integrated attitude-system underlying a particular opinion (Schnetler et al, 1989:45).
• Questions concerning behaviour. According to Schnetler et al. (1989:46), behaviour can be described in terms of five dimensions: whether the behaviour is present or not; the nature of the behaviour; how often it occurs; its importance; and the extent of the behaviour on termination.

4.4.1.2 Question type
The next stage in the design of the questionnaire is to establish the type of questions that will be used to generate the correct information as required by the researcher. It is important to note that there are different types of questions and that one questionnaire can include a number of these types of questions. There are six common types of questions (Farr and Timm, 1994:58):

• Firstly, close-ended questions make use of a yes or no, or either-or-type of response.
• Secondly, open-ended questions give the respondent the opportunity to respond in his own words. This will result in a variety of responses on the same question, and makes it difficult for the researcher to quantify and/or process the responses.
• Thirdly, checklist type of questions provides the respondent with a list of possible solutions. The respondent then selects those solutions that best suit his particular situation.
• Fourthly, multiple-choice questions give the respondent a number of solutions. The respondent is then requested to select the one solution that best suits his particular situation.
• Fifthly, ranking scale type of questions supply the respondent with a list of items that relate to the question. The respondent is then asked to rank these items from the highest to the lowest priority, or lowest to highest priority.

• Lastly, Likert scales allow the researcher to gauge the respondent’s attitude toward a concept. The question is normally in the format of a statement and has a scale that allows the respondent to indicate the degree to which he agrees or disagrees with the statement.

4.4.1.3 Question formulation
The next stage in the design of the questionnaire is to ensure that the manner in which questions are formulated does not lead to errors or confusion. To ensure that this is adhered to, it is important to pay attention to the way the questions are worded (Bless and Higson-Smith, 1995:117). Listed below are some guidelines to concentrate on when formulating:

• Questions must be kept short and simple (Bless and Higson-Smith, 1995:117).

• It is suggested that the number of questions in the questionnaire be kept to a minimum (Jackson, 1995:368-369).

• Ambiguous and vague questions must not be used (Schnetler et al, 1989:58).

• Questions should be formulated at the language proficiency level of the respondents (Schnetler et al, 1989:57).

• The researcher should avoid using questions that contain two or more questions in one. These “double-barrelled” questions should be separated into two or more questions (Bless and Higson-Smith, 1995:117).

• Questions that lead the respondent to a certain answer through its wording or content should be avoided (Bless and Higson-Smith, 1995:117).

• Avoid using personal questions. By using the question correctly, a personal question can be asked in such a manner that it comes across
as being impersonal and not offensive to the respondent (Schnetler et al, 1989:61-62).

- Respondents are often reluctant to answer embarrassing questions. Restructure these questions to be expressed in the third person (Schnetler et al, 1989:62).

### 4.4.1.4 Question wording

The use of good language and grammar does not necessarily exclude bias and errors in questions. According to Schnetler et al. (1989: 57-65), certain basic principles should be adhered to when selecting the wording of questions:

- Questions should be formulated in specific terms and it is necessary for the researcher to be familiar with the respondent’s personal world.
- The language competence of respondents should be considered.
- Ambiguous, hypothetical and vague questions should be avoided.
- Leading and loaded questions that lead the respondent in the direction of a specific answer should not be used.
- Whether the researcher uses personal or impersonal questions should be guided by the purpose of the investigation, the nature of the information desired and the characteristics of the population.

### 4.4.1.5 Questionnaire layout

The appearance and layout of the questionnaire is another important consideration. Even if a questionnaire is perfectly prepared and worded, it will lose much of its impact if it is untidy and disorganized in its appearance and layout. Respondents need to be motivated to complete the questionnaire and they may be put off by an untidy looking questionnaire (Bell, 1996:81-82).
4.5 BIAS IN RESEARCH DESIGN

Leedy (1993:213) states that data obtained through the survey method is prone to distortion through the introduction of bias into the research design. Researchers should attempt to minimise the effects of bias. Leedy defines bias as “any influence, condition, or set of conditions that singly or together distort the data from what may have been obtained under the conditions of pre chance. Furthermore, bias is any influence that may have disturbed the randomness by which the choice of a sample population has been selected”.

Various forms of bias may influence the research. Some of these forms of bias are:

- Inaccuracy of the sample. An accurate sample is one in which the “underestimates and the overestimates” are represented equally in the sample (Emory and Cooper, 1991:243). If the sample is accurate (unbiased) no influence is exerted on respondents to lean towards one direction more than the other.
- Biased wording of questions. Choice of words in questions is a major source of bias. Controversial words, superlatives and slang words should be avoided (Emory and Cooper, 1991:364). If the principles of the questionnaire construction are ignored, bias may enter the data and cast doubt on the validity of the research.
- The bias influence of non-respondents. If the non-respondents had completed the questionnaire they may have responded differently to those who completed the questionnaire. To infer for the whole population, without taking into account the positive contaminating effect of non-respondents, would introduce bias into the data (Leedy, 1993:214).
The researcher cannot prevent bias from influencing the data. However, the researcher should acknowledge that bias may have affected the research and should make every effort to minimise the influence of bias (Leedy, 1993:215).

The following effort was made in this research to minimise the influence of bias, namely questionnaires were posted to five organizations focusing on all levels within their strategic planning environments.

4.6 POPULATION TO BE SURVEYED

McBurney (1994: 412) defines a population as being the entire collection of individuals being considered. For the purpose of this study, the population consisted of five medium sized organizations. The survey covered all work/functional levels in the organization. In total two hundred questionnaires were e-mailed to these organizations and one hundred and nineteen completed questionnaires were sent back, which constitutes a 59.5 percent response rate. Table 4.1 gives an indication of the response rate.

<table>
<thead>
<tr>
<th>Questionnaire response rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of questionnaires distributed</td>
</tr>
<tr>
<td>200</td>
</tr>
</tbody>
</table>

A cover letter (Annexure A) accompanied the questionnaire to introduce myself and to explain the purpose and requirements for the research.
4.7 THE ADMINISTRATION OF THE QUESTIONNAIRE

The five organizations were first contacted through their Human Resource departments to get the approval for the distribution of the questionnaire. The questionnaires were then e-mailed to the five organizations with a covering letter stating the purpose and completion of the questionnaire by 3 November 2006.

4.8 CONCLUSION

In this chapter the basic guidelines for collecting survey data was explained. Also general guidelines to questionnaire design and administering a questionnaire were discussed.

This chapter also dealt with the choice of survey method and possible sources of bias in research design were discussed. Chapter 5 will examine the research results. The questionnaire compiled for the research is included in Annexure A.
5.1 INTRODUCTION

Chapter 4 described various investigation and assessment tools that can be utilized for gathering the empirical information. It also further explained the rationale behind the selected assessment tool, population and administering of the survey by the researcher.

The objective of this study is to determine how management are leading their employees in terms of strategic planning and the daily execution thereof. The main purpose of this chapter is a critical examination and discussion of the information received back from the respondents, focusing on the second and third sub problem. The main findings and recommendations will be discussed in chapter 6.

5.2 ANALYSIS OF THE RESULTS

A statistical comparison will be done for the different questions. The questions and responses to each question are presented as a percentage of total respondents. Figures in table form have been used to facilitate the presentation of the research results.

The questionnaire consisted of two sections, i.e. section A and section B. Questions asked in section A were concerned with gathering certain
biographical information. Questions in section B were concerned with strategic management planning and leadership.

5.2.1 Section A – Biographical information

Herewith follows a detailed discussion of the biographical information obtained from the respondents who completed the questionnaires.

<table>
<thead>
<tr>
<th>Table 5.2.1.1</th>
<th>Are you male or female?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Question response option</td>
<td>Number</td>
</tr>
<tr>
<td>Male</td>
<td>68</td>
</tr>
<tr>
<td>Female</td>
<td>51</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
</tr>
</tbody>
</table>

More males than females replied to the questionnaire.

<table>
<thead>
<tr>
<th>Table 5.2.1.2</th>
<th>What is your age in years?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Question response option</td>
<td>Number</td>
</tr>
<tr>
<td>Younger than 30</td>
<td>10</td>
</tr>
<tr>
<td>30 – 40</td>
<td>28</td>
</tr>
<tr>
<td>41 – 50</td>
<td>40</td>
</tr>
<tr>
<td>51 – 60</td>
<td>28</td>
</tr>
<tr>
<td>Older than 60</td>
<td>13</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
</tr>
</tbody>
</table>

Most of the respondents were above the age of 40 years, 68% compared to 32%, which were below the age of 40 years.
Table 5.2.1.3  How many years have you worked for your company?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less then 5</td>
<td>54</td>
<td>45%</td>
</tr>
<tr>
<td>5 – 10</td>
<td>39</td>
<td>33%</td>
</tr>
<tr>
<td>11 – 15</td>
<td>26</td>
<td>22%</td>
</tr>
<tr>
<td>16 – 20</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>More than 20</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

Most of the respondents worked for less than 5 years. None of the companies that participated in the research have been around for longer then fifteen years, hence why no responses were received for services of sixteen years and above.

Table 5.2.1.4  What position do you occupy?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>37</td>
<td>31%</td>
</tr>
<tr>
<td>Technical</td>
<td>31</td>
<td>26%</td>
</tr>
<tr>
<td>Operations</td>
<td>23</td>
<td>19%</td>
</tr>
<tr>
<td>Supervisory</td>
<td>12</td>
<td>10%</td>
</tr>
<tr>
<td>Management</td>
<td>9</td>
<td>8%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>7</td>
<td>6%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

Most positions were occupied in administration, technical and operations. Other positions included Sales, Quality Control, Stores and Account Managers.
Table 5.2.1.5  
**What level of education do you have?**

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower than Std 10</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Std 10</td>
<td>66</td>
<td>55%</td>
</tr>
<tr>
<td>Post-matric qualification</td>
<td>40</td>
<td>34%</td>
</tr>
<tr>
<td>No response</td>
<td>13</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

More than half of the total respondents had only matric, while 34% had a post matric qualification. 11% of respondents did not complete this question.

5.2.2  
**Section B – Leadership and Strategic Management Planning**

Hereewith follows a detailed discussion of the leadership and strategic management planning questions obtained from the respondents who completed the questionnaires. The leadership guidelines incorporate leading, motivating, communicating, goals and control.

5.2.2.1  
**Strategy:**

Table 5.2.2.1  
**Do you know what your company's mission statement is?**

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>78</td>
<td>66%</td>
</tr>
<tr>
<td>No</td>
<td>39</td>
<td>33%</td>
</tr>
<tr>
<td>No response</td>
<td>2</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

The majority of respondents knew their company’s mission statement. This is a good indication that the staff have either read or heard the statement, or the mission statement has been communicated formally and understood.
Table 5.2.2.2  
(a) Have you ever been involved in strategic planning?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>65</td>
<td>54%</td>
</tr>
<tr>
<td>No</td>
<td>53</td>
<td>45%</td>
</tr>
<tr>
<td>No response</td>
<td>1</td>
<td>1%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

More than half of the respondents have been involved in strategic planning.

Table 5.2.2.2  
(b) If yes, which elements of strategic planning?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer orientation</td>
<td>5</td>
<td>7%</td>
</tr>
<tr>
<td>Vision and Mission</td>
<td>14</td>
<td>24%</td>
</tr>
<tr>
<td>Quality</td>
<td>5</td>
<td>7%</td>
</tr>
<tr>
<td>Goal setting</td>
<td>36</td>
<td>55%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>5</td>
<td>7%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>65</td>
<td>100%</td>
</tr>
</tbody>
</table>

More than half of the respondents, which were involved in strategic planning, took part in the goal-setting element. Other elements included strategic product development, human resource strategy, supply chain and production.
### Table 5.2.2.3

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short - Less then one year</td>
<td>14</td>
<td>12%</td>
</tr>
<tr>
<td>Long - 2 to 5 years</td>
<td>105</td>
<td>88%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

88% of respondents said that their companies were long term focused. This indicates that companies are not in business to make quick money and that they plan to execute their strategies over a number of years.

### Table 5.2.2.4

**Please specify the frequency of strategic meetings:**

**(a) In your area?**

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly</td>
<td>26</td>
<td>21%</td>
</tr>
<tr>
<td>Quarterly</td>
<td>58</td>
<td>50%</td>
</tr>
<tr>
<td>Twice a year</td>
<td>8</td>
<td>7%</td>
</tr>
<tr>
<td>Yearly</td>
<td>27</td>
<td>22%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

Department or area specific strategic meetings were mostly held every quarter as indicated by 50% of respondents.
Table 5.2.2.4  
(b) Company wide, all employees?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly</td>
<td>10</td>
<td>8%</td>
</tr>
<tr>
<td>Quarterly</td>
<td>43</td>
<td>36%</td>
</tr>
<tr>
<td>Twice a year</td>
<td>28</td>
<td>24%</td>
</tr>
<tr>
<td>Yearly</td>
<td>38</td>
<td>32%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

Company wide strategic meetings also took place mostly on a quarterly basis, while 24% were bi-annually and 32% yearly.

5.2.2.5  Leadership:

(a) Leading

Table 5.2.2.5  How well do you rate top management’s ability to lead?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor</td>
<td>6</td>
<td>5%</td>
</tr>
<tr>
<td>Fair</td>
<td>28</td>
<td>24%</td>
</tr>
<tr>
<td>Good</td>
<td>20</td>
<td>17%</td>
</tr>
<tr>
<td>Excellent</td>
<td>64</td>
<td>53%</td>
</tr>
<tr>
<td>No response</td>
<td>1</td>
<td>1%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

From table 5.2.2.5 it is clear that the respondents have a great deal of confidence and trust in their leader’s ability to lead them. More than half of the respondents rated their leaders as excellent in their ability to lead.
**Table 5.2.2.6** Does management make the necessary resources available to support strategic issues?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never</td>
<td>5</td>
<td>3%</td>
</tr>
<tr>
<td>Sometimes</td>
<td>20</td>
<td>17%</td>
</tr>
<tr>
<td>Often</td>
<td>26</td>
<td>22%</td>
</tr>
<tr>
<td>Very Often</td>
<td>68</td>
<td>58%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

More than half of the respondents felt that management does make resources available to support strategic issues. This indicates that management is serious about making the strategic plan work.

**Table 5.2.2.7** Does management encourage and reward learning, leadership and innovation?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never</td>
<td>11</td>
<td>9%</td>
</tr>
<tr>
<td>Sometimes</td>
<td>27</td>
<td>23%</td>
</tr>
<tr>
<td>Often</td>
<td>15</td>
<td>13%</td>
</tr>
<tr>
<td>Very Often</td>
<td>66</td>
<td>55%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

The majority of the respondents indicated that management do encourage and reward learning, leadership and innovation. This is seen as a positive step by management to allow and give staff the freedom to initiate change.
Table 5.2.2.8 Does management model and communicate cultural norms and values that are congruent with the stated vision and strategies?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never</td>
<td>13</td>
<td>10%</td>
</tr>
<tr>
<td>Sometimes</td>
<td>57</td>
<td>48%</td>
</tr>
<tr>
<td>Often</td>
<td>14</td>
<td>12%</td>
</tr>
<tr>
<td>Very Often</td>
<td>32</td>
<td>27%</td>
</tr>
<tr>
<td>No response</td>
<td>3</td>
<td>3%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

Respondents believe that management are doing enough to communicate and integrate values and norms as part of the strategy.

(b) Motivating:

Table 5.2.2.9 Which of the following does management use to motivate you?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fear, Threats</td>
<td>22</td>
<td>18%</td>
</tr>
<tr>
<td>Mostly punishment</td>
<td>24</td>
<td>20%</td>
</tr>
<tr>
<td>Mostly recognition</td>
<td>41</td>
<td>35%</td>
</tr>
<tr>
<td>Group involvement and recognition</td>
<td>32</td>
<td>27%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

The majority of the respondents indicated that management motivate them by means of recognition and group involvement. Fear, threats and punishment are also used to some extent as indicated in table 5.3.2.9 above.
Table 5.2.2.10  Does management encourage teamwork in your work area?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very little</td>
<td>15</td>
<td>13%</td>
</tr>
<tr>
<td>Little</td>
<td>15</td>
<td>13%</td>
</tr>
<tr>
<td>Moderate amount</td>
<td>49</td>
<td>41%</td>
</tr>
<tr>
<td>A great deal</td>
<td>38</td>
<td>32%</td>
</tr>
<tr>
<td>No response</td>
<td>2</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>119</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

It is quite evident that respondents feel that management encourage a moderate amount to a great deal of teamwork.

Table 5.2.2.11  Does management encourage learning and innovation?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very little</td>
<td>9</td>
<td>7%</td>
</tr>
<tr>
<td>Little</td>
<td>14</td>
<td>11%</td>
</tr>
<tr>
<td>Moderate amount</td>
<td>23</td>
<td>19%</td>
</tr>
<tr>
<td>A great deal</td>
<td>70</td>
<td>60%</td>
</tr>
<tr>
<td>No response</td>
<td>3</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>119</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

The majority of respondents felt that management encourage learning and innovation.
The majority of respondents felt that management enforce a culture of trust.

**Communicating:**

More than half of the respondents saw the direction of communication as mostly top down.
Table 5.2.2.14  Does management communicate strategic issues throughout the organization?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never</td>
<td>9</td>
<td>8%</td>
</tr>
<tr>
<td>Sometimes</td>
<td>14</td>
<td>12%</td>
</tr>
<tr>
<td>Often</td>
<td>20</td>
<td>16%</td>
</tr>
<tr>
<td>Very Often</td>
<td>76</td>
<td>64%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

The majority of the respondents indicated that management do communicate strategic issues.

Table 5.2.2.15  Do you have a good communication relationship with your superior/management?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>24</td>
<td>19%</td>
</tr>
<tr>
<td>No</td>
<td>95</td>
<td>81%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

Most respondents felt that they do not have a good communication relationship with their superior.
Table 5.2.2.16  Is your superior a good listener?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>39</td>
<td>32%</td>
</tr>
<tr>
<td>No</td>
<td>80</td>
<td>68%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

Most respondents felt that their superiors are not good listeners.

Table 5.2.2.17  Does management build and preserve trust?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>87</td>
<td>73%</td>
</tr>
<tr>
<td>No</td>
<td>32</td>
<td>27%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

An overwhelming majority answered yes.
Table 5.2.2.18  
Does management communicate the vision, mission and change strategy regularly?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never</td>
<td>5</td>
<td>4%</td>
</tr>
<tr>
<td>Sometimes</td>
<td>79</td>
<td>67%</td>
</tr>
<tr>
<td>Often</td>
<td>19</td>
<td>16%</td>
</tr>
<tr>
<td>Very Often</td>
<td>16</td>
<td>13%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

Respondents strongly believe that management only sometimes communicate the change strategy.

Goals:

Table 5.2.2.19  
How are targets set within your company?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders issued</td>
<td>61</td>
<td>51%</td>
</tr>
<tr>
<td>Comments invited, then orders issued</td>
<td>32</td>
<td>27%</td>
</tr>
<tr>
<td>Some group participation</td>
<td>21</td>
<td>18%</td>
</tr>
<tr>
<td>Full group participation</td>
<td>5</td>
<td>4%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 5.3.2.19 indicates that more than 50% of respondents felt that targets are set by issuing orders.
### Table 5.2.2.20  How high are targets set by management?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>6</td>
<td>5%</td>
</tr>
<tr>
<td>Average</td>
<td>6</td>
<td>5%</td>
</tr>
<tr>
<td>High</td>
<td>18</td>
<td>15%</td>
</tr>
<tr>
<td>Very high</td>
<td>89</td>
<td>75%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

The majority of respondents (75%) felt that targets were set very high by management.

### Table 5.2.2.21  Are targets consistent within the strategic framework?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>23</td>
<td>19%</td>
</tr>
<tr>
<td>No</td>
<td>96</td>
<td>81%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 5.3.2.21 indicates that 81% of respondents felt that targets were not consistent within the strategic framework.
Control:

Table 5.2.2.22  Where is the responsibility for control concentrated in your company?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>All at the top</td>
<td>101</td>
<td>84%</td>
</tr>
<tr>
<td>Mostly at the top</td>
<td>9</td>
<td>8%</td>
</tr>
<tr>
<td>Shared at lower levels</td>
<td>6</td>
<td>5%</td>
</tr>
<tr>
<td>Shared at all levels</td>
<td>3</td>
<td>3%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

An overwhelming 84% of respondents felt that responsibility of control is mostly concentrated at top management.

Table 5.2.2.23  Are their control measures in place that is aligned with company strategy?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>33</td>
<td>28%</td>
</tr>
<tr>
<td>No</td>
<td>86</td>
<td>72%</td>
</tr>
<tr>
<td>No response</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

Most respondents (72%) felt that there are no control measures in place.
Table 5.2.2.24  Do you agree with the structure and decisions made by the company?

<table>
<thead>
<tr>
<th>Question response option</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never</td>
<td>18</td>
<td>15%</td>
</tr>
<tr>
<td>Sometimes</td>
<td>45</td>
<td>35%</td>
</tr>
<tr>
<td>Usually</td>
<td>30</td>
<td>25%</td>
</tr>
<tr>
<td>Always</td>
<td>30</td>
<td>25%</td>
</tr>
<tr>
<td>No response</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Totals</td>
<td>119</td>
<td>100%</td>
</tr>
</tbody>
</table>

The respondents were evenly divided, 50% stated that they only sometimes or never agree with the decisions made by the company, while the other 50% of respondents stated that they usually or always agree with the decision made by the organization.

5.3 CONCLUSION

In this chapter the processed responses from the questionnaire that were handed to the respondents was discussed. Firstly, the questions relating to biographical information were discussed. Secondly, strategy and leadership related questions were discussed. From the analysis of the research results, it can be concluded that there is a link between leadership and strategic management planning.

In the next chapter the response data will be interpreted and evaluated against the strategic planning and leadership norms established in the previous chapters. This chapter will also comprise main findings, conclusions, recommendations and plans for further research.
CHAPTER 6

FINDINGS, RECOMMENDATIONS AND CONCLUSIONS

6.1 INTRODUCTION

The main problem for this research posed the question, *How effective are managers/leaders in practising leadership in strategic management planning?*

The associated sub-problems identified were:

(i) What does the literature reveal with respect to how effective managers/leaders comply with the guidelines for effective leadership and strategic planning?

(ii) To what degree does leadership practised by managers/leaders comply with the guidelines for effective leadership?

(iii) How do managers/leaders function within the strategic planning framework?

Sub-problem one was dealt with in Chapter 2 and 3 where the best practices for strategic management planning and leadership were identified. Sub problem two and three were attended to in Chapter 5 where the strategic and leadership practices in various organizations were analysed to determine what practices are currently applied.

The aim of this chapter is to discuss the main findings and make recommendations based on the findings. Recommendations regarding future possible research will be made. The chapter will then be concluded.
6.2 **MAIN FINDINGS**

The results will focus on the two main areas of this study:

- Strategic management planning
- Leadership effectiveness

6.2.1 **Strategic management planning**

The overwhelming majority of respondents seem to know their company’s mission statement. The overall impression that can be deduced from this is that the mission and vision of the grand strategy is either well presented or communicated and that management has secured substantial commitment from employees. Benefits from this are:

- Employees can aid management in planning when they know and understand the mission.
- More group interaction could follow leading to a range of perspectives
- Employee involvement and knowledge of the strategy and mission helps reduce resistance to change and improves motivation.

More than half of the respondents were involved in strategic planning. This indicates that employees further down than management are involved in the strategic management process. This shows management’s willingness to involve employees as part of the strategic planning process. There is still some concern as close to half of the respondents indicated that they were not involved in strategic planning (see table 5.3.2.2).

From those involved in the strategic planning process it is clear that a vast variety of discipline or area’s were involved in the strategic planning process. This indicates that objectives are set and not only set for the company as a whole but also in the functional areas and that various departments of the organization are involved. A further indication seems to be that business,
functional and operating levels of the strategy making process is being addressed.

An overwhelming majority indicated that their organization’s are long term focused which indicates that the strategic management process is part of a long term plan for the company. This is in line with the theory that suggests the strategic management process normally covers a period of between two to five years.

The frequency of strategic meetings in functional areas were mostly held on a quarterly basis which indicates that supervisory and first line management are the first point of contact with their leaders when engaging in the strategic management process. Company wide strategic meetings frequency varied a lot between quarterly to a year. This indicates top management interaction with employees regarding the strategic management process.

The above findings indicate that respondents are strongly committed to the strategy, which is set by their leadership. Leaders seem to involve employees more in the strategic management process, especially in goal setting. Strategic meetings are not held regularly enough to compensate especially for the change process as a result of changes which might occur in the various environments. Leaders must realize that they cannot do all the work themselves and they need to involve employees more in the strategic management planning process.

6.2.2 Leadership effectiveness
Here we looked at the following areas of leadership effectiveness:
(a) Leading
(b) Motivating
(c) Communicating
(d) Goals
(e) Control
(a) **Leading**
With respect to the questions on leading, most of the respondents clearly indicated that they believe and trust in their leader’s ability to lead. Also that their leaders do support strategic issues in response to the resources required to put the strategy into action. They are also allowed to take initiative. Leaders encourage and reward these behaviours. This indicates that leaders are influencing their followers whereby the leader guides the followers into action.

(b) **Motivating**
With respect to the questions on motivation, the respondents felt that management encourage teamwork, uses mostly recognition and group involvement as motivation. Learning is encouraged and emphasis is placed on building trust. Trust leads to stronger and closer relationships with mutual benefits. Leaders are thus practising positive motivation.

(c) **Communicating**
With respect to the questions on communication, 75% respondents felt that communication is still mostly top down. Strategic issues are communicated over long periods. Leadership, however as indicated by respondents, seems not to be good listeners and respondents indicated that they do not have good communication relationships with their leaders. This also, in a way, indicates the top down approach as being the preferred communication style implemented by the leaders. Another reason for this behaviour could be the lack of communication as indicated by the frequency of strategic meetings as indicated in chapter 5.

Although respondents believe that leaders try to build and preserve trust, changes to strategy are only communicated sometimes. Deduced from this is that leaders are either not scanning the changing environment or do not implement a change process in time or they do not know how to react to changes in the environment, hence the lack of communication as part of the
change process. The feedback cycle is not being controlled and/or monitored consistently.

(d) **Goals**
With respect to the questions on goals, respondents indicated that targets were set very high and that only some comments are invited when orders are determined and issued, with orders being issued most of the time. Lastly respondents felt that targets were not consistent within the strategic framework.

(e) **Control**
With respect to the questions on control, half of the respondents indicated that although they were satisfied with the structures and decisions made by the company, the level of control were mostly concentrated at the top and there are no control measures in place that are aligned with the company strategy. Again it can be deduced that the change process is not being monitored and/or implemented correctly.

The above mentioned leadership components are all indicators of leadership effectiveness. Respondents seem to have a mostly positive outlook towards their leaders and it seems as though the leader’s impression are positive. However there are still some components that are negative and need serious attention. The deduction is thus that leaders are not practising effective leadership.
6.3 **RECOMMENDATIONS**

Bases on the research findings, the following recommendations are presented for consideration:

- **Recommendation 1- Involve subordinates in strategic planning**

  Leaders need to get more employees involved in the strategic management process. Strategic meetings at functional level and company wide need to take place more often. The cultural norms and values also need addressing more often to ensure they are aligned with the stated strategy. Leaders must ensure that the environment is scanned regularly as changes in the environment can affect the strategic management process. Further to this, leaders must also ensure that the change process is implemented as part of the process. Any changes must be communicated as soon as possible to align the process again in its new direction.

  Leaders must realize that they cannot scan the environment alone and that sometimes subordinates need to act as leaders and scan the environment as it is too big for one or two persons. This requires more involvement and feedback from subordinates in the strategic management monitoring and control process.

- **Recommendation 2 – Improve communication**

  The direction of communication from leaders must move from a top down approach to a more lateral approach. Management could win over more subordinates by following this approach. Leaders need to become more active listeners and improve their communication skills drastically. An area of great concern seems to be the change process, which needs to be communicated as soon as possible by leaders when changes in the environment occur.
• **Recommendation 3 – Involve subordinates in setting targets**
Targets must be realistically set. Leaders must refrain from issuing orders when it comes to goal setting and involve subordinates when making these decisions and not make them in isolation. Goals and targets must also be aligned with the functional and business strategy.

• **Recommendation 4 – Delegate the responsibility for control to all levels**
The responsibility for control currently, mostly lies at the top. Leaders must ensure that the responsibility for control is spread to every person in the organization. Subordinates should be developed by means of training to overcome this hurdle of delegated task. A leader’s task in control is to lead and guide subordinates and make improvements where necessary.

• **Recommendation 5 – Develop a culture of leaders**
Leadership development is related to empowerment. In order to develop a culture of leadership, it means that leaders at the top must begin to let go of control, and begin to develop leadership potential throughout all levels of the organization. If an organization is serious about developing a culture of leadership, then leaders throughout the organization need to be held accountable for developing leadership in their area of responsibility. Leadership development needs to take a higher strategic priority.

### 6.4 OPPORTUNITIES FOR FURTHER RESEARCH

Further research is required into factors identified that have an influence on strategic management planning and leadership. The factors that require further research are:
• The study can be used in large corporate organizations with 1000 and more employees to see if they follow the same guidelines for leadership effectiveness. The results can then be compared with those of smaller companies as was the case of this study. This information could then be used to make improvements where necessary.

• The leadership effectiveness criteria can further be refined to see if age, qualification and experience have any impact on leadership effectiveness.

• Gender influence can also be assessed to see whether male or female leaders are perceived differently with respect to leadership effectiveness in strategic management planning.

6.5 CONCLUSION

The link between strategic management planning and leadership effectiveness in organizations cannot be questioned. The main message in the strategic planning part of this study was that strategies need to be integrated into the structure of the organization and its day-to-day activities, so that people in the organization are involved and understand and support the strategic objectives. Getting people involved in strategic management planning and developing leadership potential throughout the organization can contribute to leadership effectiveness and achievement of strategic goals.

Top down and traditional leaders are deeply embedded in many organization’s culture and leaders. This may be the reason why top down communication scored so high from the respondents (see table 5.3.2.22). Leaders must begin to start and realize the importance of empowerment, letting go of control and leadership development throughout all levels of the organization. This in turn will lead to effectiveness and efficiency from leaders at the top.
In conclusion, once leaders at the top are aware of the negative factors and behaviours, a process of training, mentoring and alignment can take place. The alignment of people in organizational strategy and leadership is of great importance. Letting go of control by delegating authority and decision making, and getting people involved in strategic planning and problem solving, is key to this alignment. It develops commitment, informs and educates, develops leadership skills and a culture of leadership and lastly, ensures effective leadership from leaders at the top.
REFERENCE LIST


Haines, S.G. 2000. The Systems Thinking Approach to Strategic Planning and Management. CRC Press LLC.


ANNEXURE A

COVERING LETTER – Mr. W.A. Solomon

6 October 2006

Dear Sir/Madame

STUDY ON LEADERSHIP IN STRATEGIC PLANNING

You have been selected as part of a sample to investigate the role of leadership in strategic management planning among companies in selected industries and size in South Africa. It will be greatly appreciated if you can complete the attached questionnaire by Friday, 27 October 2006. Your cooperation is vital for the success of the study, and your participation will make it possible that useful and reliable information can be gathered in the field of leadership and Strategic planning.

As nearly all questions are pre-structured, completing the questionnaire will take up very little of your time. All information will be treated as strictly confidential and will be statistically processed together with that of other respondents. It will be impossible to identify any individual on the strength of the results included in the final report.

The aim of this investigation is to develop a general view of the practice of leadership among leaders in a strategic planning framework. The results of this investigation will be used to relate the practice of leadership in strategic planning to the appropriate theoretical guidelines. The results of this investigation may also assist to improve management in your company.

We are aiming at a 100% response to this study. Please direct any queries about the questionnaire to Wesley Solomon at telephone 0827829826 or email, Solomon.Wesley@gmail.com.

Thank you for your co-operation.

Wesley Solomon
Final year MBA student at the Nelson Mandela Metropolitan University
ANNEXURE B

QUESTIONNAIRE

PLEASE INDICATE YOUR CHOICE BY MARKING THE APPROPRIATE BLOCK WITH AN X.

A. BIOGRAPHICAL INFORMATION

1. Are you male or female?

<table>
<thead>
<tr>
<th>Male</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td></td>
</tr>
</tbody>
</table>

2. What is your age in years?

<table>
<thead>
<tr>
<th>Younger than 30</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>30 - 40</td>
<td></td>
</tr>
<tr>
<td>41 - 50</td>
<td></td>
</tr>
<tr>
<td>51 - 60</td>
<td></td>
</tr>
<tr>
<td>Older than 60</td>
<td></td>
</tr>
</tbody>
</table>

3. How many years have you worked for your company?

<table>
<thead>
<tr>
<th>Less than 5</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>5 - 10</td>
<td></td>
</tr>
<tr>
<td>11 - 15</td>
<td></td>
</tr>
<tr>
<td>16 - 20</td>
<td></td>
</tr>
<tr>
<td>More than 20</td>
<td></td>
</tr>
</tbody>
</table>

4. What position do you occupy?

<table>
<thead>
<tr>
<th>Administration</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical</td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td></td>
</tr>
<tr>
<td>Supervisory</td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td></td>
</tr>
<tr>
<td>Other (please specify)</td>
<td></td>
</tr>
</tbody>
</table>

5. What level of education do you have?

<table>
<thead>
<tr>
<th>Lower than Std 10</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Std 10</td>
<td></td>
</tr>
<tr>
<td>Post matric qualification</td>
<td></td>
</tr>
</tbody>
</table>
B. LEADERSHIP AND STRATEGIC MANAGEMENT PLANNING

INTRODUCTION

Leadership can be defined as the process of influencing, controlling, and guiding the behaviour of individuals or groups in such a manner that they work to pursue the objectives and goals of the organization.

Strategic Management is the process whereby managers establish an organization’s long term direction, set performance objectives, develop strategies to achieve these objectives, considering all the relevant internal and external circumstances, and implement the chosen action plans (Nel, 2000: 50). Strategic management involves more than strategic planning. It is based on the fundamental ideas of strategy and management, and includes a range of management processes. In addition to planning, it includes implementation and supervision (Hahn, 1991).

STRATEGY

1. Do you know what your company’s mission statement is?
   
   Yes
   No

2. (a) Have you ever been involved in strategic planning?
   
   Yes
   No

   (b) If yes, which elements of strategic planning?

   Customer orientation
   Vision and Mission
   Quality
   Goal setting
   Other (please specify)

3. Is your company short or long term focussed?

   Short - Less then one year
   Long - 2 to 5 years
4. Please specify the frequency of strategic meetings:
   (a) In your area?

<table>
<thead>
<tr>
<th>Monthly</th>
<th>Quarterly</th>
<th>Twice a year</th>
<th>Yearly</th>
<th>Other (please specify)</th>
</tr>
</thead>
</table>

   (b) Company wide, all employees?

<table>
<thead>
<tr>
<th>Monthly</th>
<th>Quarterly</th>
<th>Twice a year</th>
<th>Yearly</th>
<th>Other (please specify)</th>
</tr>
</thead>
</table>

LEADERSHIP

5. How well do you rate top management’s ability to lead?

<table>
<thead>
<tr>
<th>Poor</th>
<th>Fair</th>
<th>Good</th>
<th>Excellent</th>
</tr>
</thead>
</table>

6. Does management make the necessary resources available to support strategic issues?

<table>
<thead>
<tr>
<th>Never</th>
<th>Sometimes</th>
<th>Often</th>
<th>Very often</th>
</tr>
</thead>
</table>

7. Does management encourage and reward learning, leadership and innovation?

<table>
<thead>
<tr>
<th>Never</th>
<th>Sometimes</th>
<th>Often</th>
<th>Very often</th>
</tr>
</thead>
</table>

8. Does management model and communicate cultural norms and values that are congruent with the stated vision and strategies?

<table>
<thead>
<tr>
<th>Never</th>
<th>Sometimes</th>
<th>Often</th>
<th>Very often</th>
</tr>
</thead>
</table>
MOTIVATING

9. Which of the following does management use to motivate you?

<table>
<thead>
<tr>
<th>Fear, Threats</th>
<th>Mostly Punishment</th>
<th>Mostly recognition</th>
<th>Group involvement and recognition</th>
</tr>
</thead>
</table>

10. Does management encourage teamwork in your work area?

<table>
<thead>
<tr>
<th>Very little</th>
<th>Little</th>
<th>Moderate amount</th>
<th>A great deal</th>
</tr>
</thead>
</table>

11. Does management encourage learning and innovation?

<table>
<thead>
<tr>
<th>Very little</th>
<th>Little</th>
<th>Moderate amount</th>
<th>A great deal</th>
</tr>
</thead>
</table>

12. Does management enforce a culture of trust?

<table>
<thead>
<tr>
<th>Very little</th>
<th>Little</th>
<th>Moderate amount</th>
<th>A great deal</th>
</tr>
</thead>
</table>

COMMUNICATING

13. How is the direction of communication within your company?

<table>
<thead>
<tr>
<th>Top-down</th>
<th>Mostly top-down</th>
<th>Down and up</th>
<th>Down, up and Lateral</th>
</tr>
</thead>
</table>

14. Does management communicate strategic issues throughout the organization?

<table>
<thead>
<tr>
<th>Never</th>
<th>Sometimes</th>
<th>Often</th>
<th>Very often</th>
</tr>
</thead>
</table>
15. Do you have a good communication relationship with your superior/management?

| Yes | No |

16. Is your superior a good listener?

| Yes | No |

17. Does management build and preserve trust?

| Yes | No |

18. Does management communicate the vision, mission and change strategy regularly?

| Never | Sometimes | Often | Very often |

**GOALS**

19. How is targets set within your company?

| Orders issued | Comments invited, then orders issued | Some group participation | Full group participation |

20. How high are targets set by management?

| Low | Average | High | Very high |

21. Are targets consistent within the strategic framework?

| Yes | No |
CONTROL

22. Where is the responsibility for control concentrated in your company?

<table>
<thead>
<tr>
<th>All at the top</th>
<th>Mostly at the top</th>
<th>Shared at lower levels</th>
<th>Shared at all levels</th>
</tr>
</thead>
</table>

23. Are there control measures in place that is aligned with company strategy?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

24. Do you agree with the structure and decisions made by the company?

<table>
<thead>
<tr>
<th>Never</th>
<th>Sometimes</th>
<th>Usually</th>
<th>Always</th>
</tr>
</thead>
</table>

NOTE: Please save the completed questionnaire (file) to a local drive on your computer before you E-mail it.

THANK YOU FOR YOUR CO-OPERATION