

The Role of Strategic Leadership in Building Organizational Competitiveness

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ABSTRACT

The leadership role begins with the determination of organizational plans and strategies until the implementation and evaluation of the activities that have been carried out whether the vision and mission have been realized properly. The leadership's ability to implement its strategy effectively is demonstrated by the ownership of capabilities in terms of Strategic Leadership, Power and the ability to shape organizational culture. In an organization, it is very necessary to have a leader who can provide direction or instructions to members of the organization to carry out their duties and authorities in an effort to achieve organizational goals. Strategic Leadership is the implementation of leadership in general in the organization, so first it is necessary to understand the concept of leadership. The ability of leaders to take strategic actions depends on historical organizational factors (organizational culture) which are influenced by changes in the external environment (the presence of new competitors, technological developments, declining demand for services/products, different political/regulatory climates), strengthening strategies and increasing consistency between strategies, organizational structure, culture and human resources. From the discussion of this article, it can be concluded that the ability of leaders who can look ahead to influence other people or their members to be able to achieve goals and be involved in changes so that companies or organizations can survive in the competition.

KEYWORDS: Leadership, Strategic Leadership, Organizational Performance

INTRODUCTION

An organization in carrying out its plans and strategies requires a leader who can mobilize all the potential of the organization to achieve the organization's goals. In this case, all organizational units from the leadership of the organization to the members must cooperate and support each other, for this reason, a joint commitment is needed in carrying out their respective functions to achieve common goals. The role of the leader in this case must be as a figure who can create a good working atmosphere for members of the organization and always provide support if members of the organization encounter obstacles in carrying out their duties. The leadership role begins with the determination of organizational plans and strategies until the implementation and evaluation of the activities that have been carried out

whether the vision and mission have been realized properly (Anatan&Ellitan, 2009). For this reason, it is necessary to have support from all parties in the organization so that they can work together to achieve optimal performance.

The concept of the importance of leadership stems from the thought of Peter & Waterman (1982) which states that leadership is related to the ability to direct and cooperate with other parties. Wright (1998:245) states that the need for leadership in the context of strategic implementation requires three important things, namely, strategic leadership, power, and the ability to create an organizational culture that is conducive to strategic implementation.

How to cite this paper: Arquimino Ramos | Lena Ellitan "The Role of Strategic Leadership in Building Organizational Competitiveness"

Published in International Journal of Trend in Scientific Research and Development (ijtsrd), ISSN: 2456-6470, Volume-5 | Issue-5, August 2021, pp.481-484, URL: www.ijtsrd.com/papers/ijtsrd43846.pdf



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Based on the ideas of Peter & Waterman (1982) and Wright (1998) it can be said that leadership is how to use existing capabilities and use their influence to ensure that members of the organization can carry out their duties and responsibilities optimally to ensure the implementation of activities in accordance with the plans that have been made. determined. The leadership's ability to implement its strategy effectively is demonstrated by the ownership of capabilities in terms of Strategic Leadership, Power and the ability to shape organizational culture. Strategic Leadership is concerned with setting direction through developing and communicating a future vision and for motivating and providing aspirations to members of the organization to go in the direction that has been determined in accordance with the plan.

In addition to strategic leadership, a strong authority (power) is also needed to be able to move all elements of the organization in achieving the goal of improving organizational performance. Another thing that is no less important in strategic implementation is also directing and creating an organizational culture that is conducive to being able to implement strategies effectively (Wright 1998:245). This article will discuss the importance of strategic leadership in building organizational performance and competitiveness. However, for the first time will be discussed about leadership styles in general.

Leadership Style Leadership style is a pattern of behavior designed to integrate organizational goals with individual goals to achieve certain goals (Heidjrachman&Husnan, 2002:224). Meanwhile, according to Tjiptono (2007:161), leadership style is a way used by leaders in interacting with their subordinates. Another opinion states that leadership style is a pattern of behavior (words and actions) of a leader that is perceived by others (Hersey, 2004:29). According to Hasibuan (2002:122), the various leadership styles are: a. Autocratic Leadership: It is a leadership style in which the leader assumes that all responsibility for making decisions, taking action, directing, motivating, and supervising subordinates is centered in his hands. An autocrat supervises the implementation of his work with the intention that there will be no deviation from the direction he was founded and conveyed to subordinates to be carried out not to be discussed by members. b. Participation Leadership: It is a leadership style in which the leader always asks for and uses suggestions from subordinates so that the leader and subordinates give each other ideas, create harmonious cooperation, foster loyalty and participation of subordinates. This leadership style always motivates subordinates to feel

they belong to the organization, however, decision making remains with the leadership. c. Free Rein/Delegation Leadership: It is a leadership style to hand over responsibility for carrying out work to subordinates, in the sense that the leader wants subordinates to be able to control themselves in completing their work. With this leadership style, subordinates can make decisions freely in carrying out their duties due to delegation from the leader

Based on some of the definitions above, it can be said that the determination or leadership style of a person actually lies in how the role of followers provides an assessment of the behavior of the leader when they relate to their followers. And to determine the assessment of an effective leadership style depends not only on the particular style of the leader but on the situation in which that style is used. These leaders need to adapt their leadership style to certain situations and these leaders can learn to be effective leaders. So to find out the effectiveness of the leader, it depends on the response of his followers to the behavior of the leader concerned when interacting. If the followers give a positive response and try to meet the expectations of the leader in achieving the goals that have been set, then the leadership is effective. According to Martoyo (1996:176) the factors or requirements of a good leader, giving rise to good leadership are: a. Extensive general education b. Ability to develop mentally c. Curious (creative and innovative) d. Have a strong memory e. Analytical ability f. Hearing ability g. Adaptable and flexible h. Firmness

People prefer to stay and work with a good person. They want to be led by someone with a clear view of the goal, who knows how to reach that goal and strives to pursue it. Following someone who has demonstrated the ability to carry out his work and has experience is a very meaningful encouragement for his employees. Thus the leader must be able to become a milestone for the smooth running of the organization he manages and be able to assume the duties and responsibilities for all the behavior and existence of employees, how to trust them, motivate them, straighten the path to success, increase status, think about the future and reduce obstacles that can cause them to become frustrated in carrying out their work (Tulasi, et.al., 2019). Based on some of the descriptions above, it can be concluded that leadership style is the interaction of a leader with his subordinates, and in these interactions there are two orientations of leader behavior, namely the first orientation of the relationship on the task and also behavior that considers situational conditions. The indicators in this study refer to (Burns: 2008 in

Muljani, et.al. 2019) which suggests the skills that a leader must possess, namely: 1. Visionary; 2. Ability to communicate 3. Ability to influence informally 4. Ability to motivate 5. Ability to think strategically 6. Ability to manage change 7. Ability to resolve conflicts 8. Ability to build confidence 9. Ability to work in a team 10. Ability to form relationships 11. Ability to generate trust 12. Ability to delegate 13. Ability to build cohesion and a sense of belonging 14. Ability to clarify ambiguity and uncertainty 15. Ability to be firm but fair; 16. Ability to be flexible but consistent.

Understanding Strategic Leadership

In an organization, it is very necessary to have a leader who can provide direction or instructions to members of the organization to carry out their duties and authorities in an effort to achieve organizational goals. Strategic Leadership is the implementation of leadership in general in the organization, so first it is necessary to understand the concept of leadership. Bass and Avolio (1993) suggest that Strategic Leadership is a process within the group. To be able to lead, the leader must do something in the group. Leadership is more than just authority. Although a formalized position of authority may greatly encourage the leadership process, simply occupying that position does not mark a person as a leader. Furthermore, Ireland and Hitt (1999) define Strategic leadership as a person's ability to anticipate, create a vision, maintain flexibility, think strategically and collaborate with others to initiate changes that can create a better future for the organization. Ireland et al. (1995) that Strategic Leadership has six components, namely: 1) determine strategic direction 2) utilize and maintain important competencies 3) develop human resources (developing human capital), 4) maintain an effective cooperative culture 5) emphasizing ethical behavior 6) establishing strategic control

Strategic Leadership is a person's leadership ability which is reflected in his ability to think strategically in leading his members. So strategic leadership is the interaction of a leader with his subordinates. In these interactions, there are two orientations of leader behavior in interacting with subordinates, firstly relationship orientation, secondly on task, besides that, behavior that considers situational conditions. Strategic leadership refers to several aspects according to Burns, (2008): (1). Visionary is the ability of a leader to be measured by a) Leaders have the ability to explain the ministry's vision to their employees, b) Leaders are able to invite employees to work well in order to realize organizational goals, c) Leaders have the ability to prepare employees face

challenges in the future, d) Leaders have the ability to improve the abilities of employees. (2). The ability to manage change which will be measured by a) Leaders have the ability to read the changes that occur, b) Leaders have the ability to adopt new innovations in advancing the ministry, c) Leaders in responding to changes that occur by empowering employees, d) Leaders always try to improve ministry facilities to facilitate the implementation of the duties of their employees. (3). Ability to build cohesiveness and a sense of belonging which will be measured by a) Leaders are able to build cooperation among employees b) Leaders are able to generate a sense of togetherness among employees so that they feel as one unit, c) Leaders can foster a sense of belonging to employees towards their organization, d) Leaders are able to build employee confidence in their superiors. (4). The ability to think strategically which will be measured by a) Leaders trying to find new ideas to improve employee performance, b) Leaders are able to improve the ability of employees to work in accordance with organizational goals, c) Leaders encourage employees to remain committed to their organization, d) Leaders are able to create harmonious relationships between employees. (5). The ability to build trust which will be measured by a) Leaders pay attention to the problems faced by employees, b) Leaders are able to set a good example for employees, c) Leaders tell the truth and instill discipline in employees, d) Leaders act in accordance with applicable regulations.

Strategic Leadership and Organizational Performance

Pazireh, Akhlagh and Akbari (2014) conducted a study on Evaluation of the Role of Strategic Leadership in Organizational Performance suggesting that strategic leadership can have an effect on organizational performance through understanding work and environmental conditions and building interactions with employees. They align employee actions by determining strategic direction, facilitating the achievement of goals and performing work through developing core competencies, by developing human resources as a source of competitive advantage, maintaining an effective corporate culture in order to promote a competitive spirit, establishing strategic controls for creation and achieving performance. optimal organization. Serfontein and Hough (2011) in Nature of the Relationship between Strategic Leadership, Operational Strategy and Organizational Performance suggest that the main contribution of this research is the assessment that strategic leadership has a direct and positive effect on operational excellence and performance in business organizations in South Africa. The managerial

implication of the model built in this study is that leadership and executives in business organizations can apply high-performance strategic leadership practices to improve strategic orientation and best operationalization in their organizations. This research is also in accordance with the theory of strategic leadership in achieving organizational performance.

Conclusion

In the face of intense competition like today, all organizations must pay attention to their strategies in order to be able to face the competition (Natalia & Ellitan, 2019). One of the strategies that must be carried out by the company to be able to survive in the fierce competition is a competitive strategy. Competitive strategy can be described as a process of how a company builds and develops its various strategic resources that have the potential to generate competitive advantage. Leadership is what is needed, one of which is strategic leadership. Strategic leadership further means the ability of the leader to manage, coordinate, influence and motivate and improve the performance of the people he leads to achieve organizational goals. The ability of leaders to take strategic actions depends on historical organizational factors (organizational culture) which are influenced by changes in the external environment (the presence of new competitors, technological developments, declining demand for services/products, different political/regulatory climates), strengthening strategies and increasing consistency between strategies, organizational structure, culture and human resources. From the discussion of this article, it can be concluded that the ability of leaders who can look ahead to influence other people or their members to be able to achieve goals and be involved in changes so that companies or organizations can survive in the competition.

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