Leadership and Strategic Management

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Abstract **- This paper looks at the role of the Senior Leadership Team (SLT) in strategy implementation and argues that developing a successful business strategy for an organisation involves the formulation and implementation of a sustainable competitive approach as an integral component of its strategic planning process. Starting with a concise analysis of what constitutes strategic plan, the paper develops an argument outlining the rationale behind the process and the need for investing senior leadership time in producing and implementing a viable strategic plan aimed at differentiating its products and services from those of its competitors with a view to gaining market advantage. The author uses established theoretical models to explain the process of strategy formulation, evaluating the pros and cons of each module. The originality of the paper's contents stems from the use of contemporary examples of good practice to illuminate how the differing leadership styles may be used to facilitate the implementation process and to gain staff buy-in. It concludes that the ability of senior managers to formulate and successfully implement viable strategic plans is critical to their own professional success and that of the entire organisation.**

Keywords-component; strategy, leadership, corporate goals, management, vision, competitive advantage, organizational environment, plan, viable, dynamic

I. Introduction

I asked a friend of mine who works for an international NGO in Ghana to provide one example of a strategic decision her organisation has implemented in recent years. This was her response; 'One strategic decision we have implemented this year, has been to provide virtual support to all the countries we have worked with in the past and concentrate on bringing up the new countries on board through direct support to them with our physical presence'. This is in direct response to the reduced funding, stemming from recent challenges in the global economy.

In the college where I work, the Senior Leadership Team (SLT) in response to pressure from the local authority to increase the number of students gaining access to elite universities implemented the 'Honours programme' scheme dedicated to the gifted and talented (G&T) students by providing tailored support to enhance their chances of meeting the entry requirements of these so-called Russell group universities.

The two examples above have common themes that make the decisions strategic. Both decisions affect a significant part of the organization's activities and value chain. Both decisions involve a significant commitment of resources in terms of finances and human capital and both decisions are likely to affect what each organisation as a whole does over the long term. In a nut shell, strategic decisions are those decisions made at senior management level which always take a long-term view about the future of the organisation. Such decisions help to address those challenges that confront the organisation from its environment and often necessitate the commitment of significant resources in its implementation. On the other hand, failure to successfully implement a strategic decision can have a detrimental impact on an organisation in terms of its commitments to all stakeholders and on its reputation.

In the case of the two examples above the achievement of the corporate goals of both organisations depend on the successful implementation of their respective strategies. The goal of the NGO working in Ghana and the rest of Africa is to work in partnership with another organisation to address the challenges of meeting the 4th and 5th Millennium Development Goals (MDGs) set by the United Nations to improve the maternal health and reduce child mortality respectively. This is expected to be achieved by improving the skills of midwives to attend to the needs of mothers and their new-borns through excellent midwifery services.

In an attempt to create a successful learning community, the Sixth Form College I work for has been under considerable pressure from all stakeholders including students, parents, and the local authority to increase learner accessibility to the elite universities and have had to respond by the introduction of its 'Honours programme' scheme.

It will not be far-fetched to conclude that the reputation and continued existence of both organizations may hinge on effective adoption, introduction and effective implementation of their strategic plans to deliver their respective goals. Many organizations have suffered badly for poor and unsuccessful strategic planning. Strategic planning failure (n. d.)[1] lists companies like Hewlett Packard and Xerox with Carly Fiorina and Anne Mulcahy, their respective CEOs commenting on their disastrous reigns and the detrimental impact these have had on both companies. Both organizations are yet to recover following the fruitless years of the two CEOs. Newman (2012)[2] lists a number of US based firms that have all

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experienced various degrees of failure in their strategic planning with significant financial and non-financial consequences. These include household names like General Motors, Chrysler, Blockbuster, Borders, Circuit City, and of course Lehman Brothers. It therefore goes without saying that any organisation, big or small, that underestimate the importance of strategic planning, and does not invest appropriate time and resources to properly identify and implement suitable strategies in response to the dynamic business environment will be sitting on the proverbial time-bomb ticking itself away into destruction.

II. WHAT IS THE POINT ABOUT STRATEGIC MANAGEMENT?

Strategic management is all about identification and description of the actions that managers can undertake in order to achieve better performance and a competitive advantage for their organization. (Strategic Management, n. d.)[3] The process of formulating a strategic plan is long and tedious and involves a great deal of senior management time and resource. However, without a comprehensive analysis of a business' competitive position vis-à-vis its corporate environment, the business puts itself in a weakened position which may threaten its very existence. The SLT of any sustainable company must have a good understanding of the organisation's environment and be able to maximise its strengths to exploit the external opportunities and minimise potential threats. (Hawkins and Mothersbaugh, 2010)[4] One of the benefits of a good strategic plan is that it provides a broader perspective to the employees of an organization, makes it easier for them to understand how their jobs fit into the entire organizational plan and how their roles are related to other organizational members. In simple terms, strategic planning is nothing but the art of managing employees in a manner which maximizes the ability of achieving business objectives.

III. PROCESS

The process of developing a viable strategic plan involves six key stages. These are setting the goal, evaluating the organisational environment, setting corporate targets, choosing the best realistic option that minimises costs, assigning functional responsibilities, and evaluating performance. (Steps in strategy formulation process, n. d.)[5] Although these steps may not necessarily follow in the exact chronological order, each step is essential and requires a comprehensive and careful consideration of the organisation's SWOT (strengths, weaknesses, opportunities and threats) analysis. A brief summary of the entire process is provided below:

A. Goal Setting

A good plan must have a goal that it is aimed at. It is a bit like embarking on a journey. If you don't know where you are going, any road will take you there. The key component of any strategic statement therefore begins with setting the long-term aim of the organization. A good appreciation of the direction of the business determines the actions needed to achieve the desired outcomes. It also enables subordinates to interpret the plan in the light of values they are used to, making it easier for them to accept their own responsibilities and take ownership of their share of the plan.

B. Scanning the organisational environment

Environmental scanning refers to a process of collecting, scrutinizing and providing information for strategic purposes. It helps in analysing the internal and external factors influencing an organization. After executing the environmental analysis process, management should evaluate it on a continuous basis and strive to improve it. The business environment has become increasingly dynamic and often volatile, leading to a great deal of unpredictability and uncertainties. Environmental scanning therefore needs to be a continuous activity to inform managers of any significant development.

C. Setting Corporate Targets

In this step, an organization must practically fix the quantitative target values for its objectives. These targets ought to be SMART (specific, measurable, achievable, realistic, and time constrained). Setting SMART targets allow for effective monitoring and evaluation with easily identifiable milestones for performance monitoring purposes. The idea behind this is to ensure that at every stage in the implementation process, management can make a realistic comparison of the actions against targets and be able to review any significant deviations.

D. Choosing the best options

Invariably, there will be a number of alternative actions a business can choose to get to its intended destination. Using the journey analogy above, there are a number of options to travel from London to Manchester, for example. These options may include travelling by car, using the train, going by coach or flying there. The preferred option is often determined by the individual's circumstances. In the same manner, a business will make the right decision about which option might be the best course of action depending on its particular circumstances including its market position, available resources, the nature of the competition and its customers .

E. Assigning functional responsibilities

It has been suggested earlier that any strategic plan will involve an organization-wide commitment which implies that in most cases, a strategic plan will involve all or significant parts of the functional areas within the company. This is one of the trickiest aspects of implementing the plan. Unless there is a culture of co-operation that prevails within the organization, there will always be the potential for departmental conflicts when implementing a new strategy. By its nature, every change has winners and losers. The winning areas will embrace the change enthusiastically and become the driving force behind its implementation although other areas will be less committal and may need a great deal of persuasion in moving forward the agenda. The skills of senior managers are vital in this respect to get everybody to pull in the same direction.

F. Evaluating performance

The rationale behind the formulation and implementation of a strategic plan is to minimise the chances of getting things wrong. As noted above, failure often has dire consequences and can often be expensive and even threaten the very survival of the organisation. However, even the most comprehensive plan does not guarantee success. A sound judgement on paper can translate into a disaster in practice. Hence the need for a regular evaluation of plan to ensure that activities being undertaken are consistent with action plans. An operative plan will have built in periodic reviews that ensure that any deviations are corrected and brought into line before too much resource are expended on unproductive and sterile activities.

Thankfully, there are a number of models and theories that facilitate the origination of strategic plans. The next section will be devoted to discussing some of the widely used models. It must be acknowledged that a one-size-fits-all approach may be unhelpful in formulating an effective plan. A combination of models will usually yield a better result than a dogmatic attempt to use one model that has been successful in the past. In this case, 'too many cooks may not necessarily spoil the broth'.

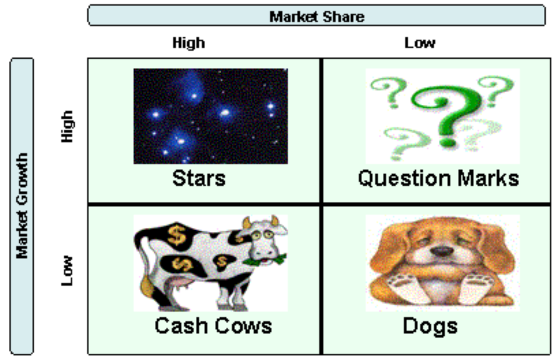
IV. MODULES

A. Module 1 – Boston Group Consulting (BCG) Matrix

The first and one of the most popular models is based on the work conducted by the Boston Consulting Group (BCG) matrix which developed a strategy for managing a portfolio of strategic Business Units (SBUs) on a graph of market growth rate versus market share relative to competitors.

The rationale behind the Boston matrix is that businesses must focus their attention on those products that have the potential of giving the greatest returns. (Northhouse, 2010)[6] Based on the concept of the product life cycle, the model is used to determine what priorities should be given in the product portfolio of a business. It provides a graphical representation for an organization to examine different products in its portfolio on the basis of their related market share and industry growth rates.

The Boston Group Consulting Group (BGC) Matrix[7]



The BCG matrix (n. d.)[7] provide the following simple explanation of the Boston matrix:

1) Stars

Stars represent business units having large market share in a fast growing industry. They may generate cash but because of fast growing market, stars require huge investments to maintain their lead. Net cash flow is usually modest. SBU's located in this cell are attractive as they are located in a robust industry and these business units are highly competitive in the industry. If successful, a star will become the cash cow when the industry matures.

2) Cash Cow

Cash Cow represents business units having a large market share in a mature, slow growing industry. Cash cows require little investment and generate cash that can be utilized for investment in other business units. These SBU's are the corporation's key source of cash, and are specifically the core business. They form the base of an organization and enable the business to access easy finance for further investment. These businesses usually follow stability strategies. When cash cows lose their appeal and move towards deterioration, then a retrenchment policy may be pursued.

3) Question Marks

Question marks represent business units having low relative market share and located in a high growth industry. They require huge amount of cash, often generated from cash cows, to maintain or gain market share. They require attention to determine if the venture can be viable. Question marks are generally new goods and services which have a good commercial prospective. There is no specific strategy which can be adopted in every situation. If the firm thinks it has dominant market share, then it can adopt expansion strategy, else retrenchment strategy can be adopted. Most businesses start as question marks as the company tries to enter a high growth market in which there is already a market leader. However, if ignored, then question marks may become dogs, while if huge investment is made, and then they have potential of becoming stars.

4) Dog

Dogs represent businesses having weak market shares in low-growth markets. They neither generate cash nor require huge amount of cash. Due to low market share, these business units face cost disadvantages. Generally retrenchment strategies are adopted because these firms can gain market share only at the expense of competitor's/rival firms. These SBUs have weak market share because of high costs, poor quality, ineffective marketing, etc. Unless a dog has some other strategic aim, it should be liquidated if there are fewer prospects for it to gain market share. Number of dogs should be avoided and minimized in an organization.

Depending on the strategic position of each SBU, the business can choose between four decisions:

- **To build** market share – The business decides to make further investments to maintain Star status or to turn a Question Mark into a Star.
- **To hold** – This suggests that the business may be happy to maintain the status quo and do nothing especially in a less competitive market.
- **To Harvest –** This suggests a strategy of reductions in investment while at the same time enjoying positive cash flow and profit maximisation. This usually pertains to SBUs that are considered to be Cash Cows where the business holds a dominant position in low growth market and therefore creams off the profits to support other SBUs.
- **To Divest –** Where growth potential is minimal and profitability is reduced, a business may decide to divest, eg Dogs, and use the capital it receives to invest in Stars and Question marks.

In spite of its universal acceptance, the BCG matrix has significant limitations which include the following:

- The link between market share and profitability is questionable since increasing market share can be very expensive.
- The approach may over emphasise high growth, since it ignores the potential of declining markets.
- The model considers market growth rate to be a given. In practice, the firm may be able to grow the market through the use of various expansion strategies.

B. Module 2 – GE / McKinsey module

The limitations of the BCG matrix is overcome by the adoption of a more sophisticated and recent model developed by McKinsey and Co. in consulting engagement with General Electrics in the 1970s. Unlike the BCG matrix, the GE / McKinsey model uses a nine-cell portfolio matrix to perform a business portfolio analysis on the SBU of an organisation. Apart from this, there are two other differences between the GE / McKinsey matrix and BCG matrix.

Market (Industry) attractiveness replaces market growth as the dimension of industry attractiveness and includes a broader range of factors other than just the market growth rate. Competitive strength replaces market share as the dimension by which the competitive position of each SBU is assessed, as shown in the diagram below.

The GE/McKinsey module[8]

		Business Unit Strength		
		High	Medium	Low
Industry Attractiveness	High			
	Medium			
	Low			

Some of the factors that determine industry attractiveness include market growth, market size, industry profitability, global opportunities and macro environmental factors.

Those factors that are often used to determine business unit strength include market share, brand loyalty, distribution channel access, production capacity, and profit margins relative to competitors.

In terms of strategic implications based on the GE / McKinsey module, a business may make one of three possible decisions.

- It may decide to **grow** strong business units in attractive industries to take advantage of its potential, **grow** SBUs in attractive industries to increase its market share to become a dominant player within the industry, or **grow** strong SBUs in average industries to take advantage of market leadership position.
- The business may also decide to **hold** average SBUs in average industries to maintain its competitiveness, or **hold** strong SBUs in weak industries and observe market trends to inform further strategic decisions, or **hold** weak SBUs in attractive industries with a view to further investment.
- Finally, a business may decide to **harvest** weak SBUs unattractive industries and concentrate its attention on more attractive industries, or **harvest** average SBUs in unattractive industries, or **harvest** weak SBUs in average industries.

C. Module 3 – Porter's Five Forces

Named after Michael E. Porter, this model identifies and analyses 5 competitive forces that shape every industry, and helps determine an industry's weaknesses and strengths. This model attempts to analyze the attractiveness of an industry by considering five forces within a market. According to Porter (2008)[9] the likelihood of firms making profits in a given industry depends on five factors:

The Five Forces that shape industry competitiveness[9]

The five forces mentioned above are very significant from the point of view of strategy formulation. Although the potential of these forces differs from industry to industry they jointly determine the profitability of an industry because they shape the prices which can be charged, the costs which can be borne, and the investment required to compete in the industry. It is suggested that before making strategic decisions, the managers should use the five forces framework to determine the competitive structure of a particular industry. (Porters, 2008)[10] For example, the strategic manager seeking to develop an edge over rival firms can use the model to better understand the industry context in which the firm operates. A brief explanation of the five forces and their significance in strategy implementation is offered below:

1. Rivalry among existing competitors

This measures the degree of competition between existing firms. The higher the degree of rivalry the more difficult it is for existing firms to generate high profits. The degree of rivalry is said to be higher if:

- there are a large number of similar sized firms (rather than a few dominant firms) all competing with each other for customers;
- the costs of leaving the industry are high e.g. because of high levels of investment. This means that existing firms will fight hard to survive because they cannot easily transfer their resources elsewhere;
- the level of capacity utilisation. If there are high levels of capacity being underutilised the existing firms will be very competitive to try and win sales to boost their own demand;
- the market is shrinking so firms are fighting for their share of falling sales;
- there is little brand loyalty so customers are likely to switch easily between products

2. The threat of new entrants

This refers to the extent to which barriers to entry exist. The more difficult it is for other firms to enter a market the more likely it is that existing firms can make relatively high profits due to minimised competition. The likelihood of entering a market would be lower if:

- the entry costs are high e.g. if heavy investment is required in marketing or equipment. The mining industry is a good example;
- there are major advantages to firms that have been operating in the industry already in terms of their experience and understanding of how the market;
- government policy prevents entry or makes it more difficult; for example, protectionist measures may mean a tax is placed on foreign products or there is a limit to the number of overseas goods that can be sold. This would make it difficult for a foreign firm to enter a market;
- the existing brands have a high level of loyalty; and
- the existing firms may react aggressively to any new entrant e.g. with a price war

3. Bargaining power of buyers

Bargaining power of buyers refer to the potential of buyers to bargain down the prices charged by the firms in the industry or to increase the firms cost in the industry by demanding better quality and service of product. Strong buyers can extract profits out of an industry by lowering the prices and increasing the costs. They purchase in large quantities. They have full information about the product and the market. In the UK, the supermarkets and the dairy industry would be a typical example. They emphasize upon quality products. They pose credible threat of backward integration. In this way, they are regarded as a threat.

4. Threat of substitute products or services

The threat of substitutes measures the ease with which buyers can switch to another product that does the same thing e.g. aluminum cans rather than glass or plastic bottles. The ease of switching depends on what costs would be involved and how similar customers perceive the alternatives to be. By its nature, substitutes pose a ceiling (upper limit) on the potential returns of an industry by putting or setting a limit on the price that firms can charge for their product in an industry. The lesser the number of close substitutes a product has, the greater is the opportunity for the firms within the industry to raise their product prices and earn greater profits (other things being equal).

5. Bargaining power of suppliers

The stronger the power of suppliers in an industry the more difficult it is for firms within that sector to make a profit because suppliers can determine the terms and conditions on which business is conducted. Bargaining power of the suppliers refer to the potential of the suppliers to increase the prices of inputs(labor, raw materials, services, etc) or the costs of industry in other ways. Strong suppliers can extract profits out of an industry by increasing costs of firms in the industry. This is the case where suppliers' products have a few substitutes and are unique. In other cases where buyers have high switching cost and the item is an important input to buyer's product and also where they pose credible threat of forward integration.

V. THE ROLE OF LEADERSHIP IN STRATEGIC MANAGEMENT

Throughout the course of this article, there have been deliberate attempts to emphasize the responsibilities of senior managers in the successful formulation and implementation of strategic plans. This is because, by virtue of their position within the organizational hierarchy, the senior leadership teams have responsibilities towards all stakeholders and have been mandated to execute these in the most effective ways. Headed by the CEO, the SLT shape the organization's corporate aims, they have the authority to direct other staff towards achieving these aims, manage the financial resources available to execute appropriate strategic initiatives necessary to accomplish the goals of the organization and thus are ultimately responsible for the success or failure of the business.

Many CEOs and Chair persons of organizations have fallen short of these responsibilities and have paid dearly for their misdemeanors. Recent examples of senior executives who have fallen prey to failed policies include Carol Bartz from Yahoo who was recently shown the door for failing to turn the tides of a troubled company, Ramalinga Raju, CEO of Satyam computers who is often described as one of the worst CEOs India has ever seen, Alan Fishman, had a remarkably small stint as the CEO of Washington Mutual (WaMu). It is reported that within 18 days of his assuming office, WaMu's banking assets were seized by federal regulators in the largest bank failure in American history and more recently, Nick Buckles of G4S security firm admitted his management of the London Olympics staffing scandal had embarrassed the British government and left the world's biggest security firm's reputation in tatters. There are many others who can be catalogued in this list and there will still be many others to come as the business environment becomes more demanding and less forgiving. This is why a good understanding of the role of leadership in strategy implementation has become crucial in the corporate world.

Of course, there are still many senior executives who have mastered the art of strategic management, enabling them to experience successes in their respective organizations. I list a few of these below who are not necessarily household names but senior managers of different SMEs mostly in Africa and Europe but who may have a thing or two to teach CEOs of multi-national conglomerates. Each senior manager was asked about how their distinctive leadership styles helped them to successfully implement a recent strategic management plan. Below are their stories.

VI. CONTEMPORARY EXAMPLES

A. International Midwife Advisor (Ghana)

In her role as the International Midwives advisor for the International Confederation of Midwives, this dynamic leader is in charge of Africa, Asia, Latin America and the Caribbean. The incumbent sees herself as a transformational leader who believes in servant leadership and leadership by example. In recent years, the budget for her organisation has been slashed by over 50% as a result of the recent recession and the credit crunch. Faced with this significant financial constraint, she needed to implement changes within the organisation to ensure the overall aim of meeting the 4th and 5th Millennium Development Goals (MDGs) set by the United Nations is achieved. These goals are to improve the maternal health and reduce child mortality respectively by improving the skills of midwives to attend to the needs of mothers and their new-borns through excellent expert midwifery services. She did three things:

- True to her leadership style, she brought the various country leaders together and laid her plans before them soliciting their views in the process;
- The available financial resources were equitably shared between all countries, including her own regional funds, even though as the team leader she was entitled to have a higher budget, and in so doing she had to cut her travelling expenses;
- Action plans were discussed, agreed and activities prioritised by all the country Directors.

According to her the impact of putting a strategic plan together and influencing her subordinates through her style of leadership has yielded significant results. She states that 'although we are only halfway through the allocated time, we have accomplished more than 50% of the activities in our work plan. We are using our accomplishments to leverage for more funds from donors and because of the evidence available, we are receiving attention and have cause to believe we will receive more funding to do more work'.

B. Founder and Senior Advisor – An International NGO – USA.

The founder of this international NGO describes his management style like this. ' I try to create harmony within the team; seek to achieve balance in that the team (or a supervisee) will need more or less support, more or less direction at any one time and at any given situation. I realize that a healthy team needs to experience the connection to all components of the team and see how their actions are connected to the team success. I try to be authentic in my emotional self and to ensure that my actions/behavior is in line with my intentions'. He explains that there are times when a leader has to lead from the front and there are times when she/he needs to lead from behind. A leader has to take cognizant that their every action, or inaction, is being scrutinized by both supporters and detractors; that do not call for inaction or excessive thought; however it does call for thoughtful action.

In terms of strategy implementation, he explains that in the past, there were times in which the cash flow within the organization was insufficient to meet all of their existing needs and a decision, or set of decisions, had to be made on what were the payment priorities. To achieve this, 'an authentic presentation of the facts and the options were made to both the senior team and then to the entire staff'. It was decided to pay the lowest paid staff first and work upwards; in addition, the top 10 salaried staff was to have a salary reduction or delay to keep the company afloat.

By laying the contextual groundwork of honesty, authenticity, harmony, etc the entire team was better prepared to manage and support the decisions of the organization. According to him, 'it is what you do on an on-going basis which will often determine how the team can manage the inevitable pitfalls of organizational life. It is the culture which is established over time that allows for a positive response to challenges' and the challenges usually brings the team closer together and makes them stronger as a unit. Such decisions have seen the business through many a difficult situations because a culture of trust and harmony exist within the company.

C. *Rector (CEO) of a University in Ghana*

In response to his leadership style, the Rector of this Higher Educational Institution explains that as an effective transformational leader, he moves among many leadership styles, adopting one that best meets the needs of the moment. As a leader, he employs visionary coaching, teamwork, and some level of authoritarian rule to get things done.

A recent strategic decisions implemented by the institution was the establishment of the Graduate School for Pentecost University College and the construction of a seven - story multipurpose lecture block. As a leader who emphasizes the importance of team work, 'the establishment of the Graduate School and the decision to construct the seven story structure to expand our teaching and learning facilities was taken by a joint executive committee with me spearheading the decision - making process. I had to bring on board various departmental heads to tap from their knowledge on how best we could achieve our objective with the limited resources at our disposal'.

He posits that 'in the culture of the organization, we lay emphasis on sound Christian principles and as such we encourage diverse views on issues under discussion. Also, as part of my normal practice, I prayerfully consider issues before they are implemented. By nature I am more inclined to a choleric temperament and that coupled with my convincing approach, it is not difficult for me to rally my team members behind me to achieve plans we set before us'. As a consequent, the graduate school is now in its second year with almost three quarters of its capacity and the seven-story building nearing its completion. That is what the spirit of cooperation and the power of persuasion can achieve when effectively executed.

In terms of impact it is hoped that when completed, the construction of the seven-story structure, will provide more space to admit more students into our institution and this will put us on a more competitive advantage over our competitors. The Graduate School will also serve to provide students with higher knowledge and by its location give them the flexibility of combining studies and secular work at minimum stress levels.

D. *CHIEF FINANCIAL OFFICER - UK*

As a strong proponent of the principle of "participation by involvement", my leadership style draws on the strength of the groups participation in my decision making process. I use relationship based approach to motivating the team and getting the team's buy-in.

The organization recently lost a major contract. This contract contributed over 50% of the organization's Management and General budget. For the organization to survive the Central Administration (management and general) had to be strategically re-organized to cut about 50% of the original management and general budget. To achieve this, the Senior Management team had to be reduced by eliminating two of the four positions which make up the team. Middle management positions had to be completely eliminated and duties and responsibilities of the positions to be eradicated or reassigned. Decisions to achieve lost reductions in other areas had to be implemented. I was given the responsibility of heading the committee in the collection and analysis of relevant data and other inputs from line managers which were to form the basis of the management plan submitted to the board to address the issues, concerns and implications of the loss of the contract.

Adopting a leadership style of participation by involvement convinced all staff especially those affected by the decision that the process was fair, transparent and participatory and that the paramount interest of the organization was the overriding factor. The plan was readily supported and accepted by the organization's staff and even the two senior managers who had to lose their jobs. Also the staff members who were affected by the plan and who were to lose their jobs were satisfied with the process and the outcome due to the transparency of the process and collaborative spirit with which it was conducted.

By achieving the management and general staff buy-in, everybody concerned rose to the challenges posed by the increased duties and responsibilities. Organizational waste was drastically reduced, and processes and procedures refined. Staff morale was rather boosted as staff were seen as more vested in working harder to keep the organization going to justify the confidence reposed in them by management for retaining them in the midst of the organization's financial crisis.

VII. Conclusion

The ability of senior managers to formulate and successfully implement viable strategic plans is critical to their own success and that of the entire organization. Appelbaum and Paese (n. d.)[10] quote a study by Manchester Consulting which estimates that four in ten senior leaders fail within the first eighteen months on the job. There is evidence to suggest that more and more businesses are recognizing the importance of preparing effective and strategic leaders who can formulate and execute business strategies to produce desired results. (Chambers et al. 1998)[11] The above contemporary examples clearly point to the need for senior managers not only to develop an efficient strategy for achieving organizational goals but most importantly have the ability to create a network of relationships that helps to get things done by encouraging people to challenge the status quo and be willing to challenge the system when change is needed. The business environment is dynamic and will continue to be so as societies' expectations are continuously changing and placing more responsibilities on senior executives. This demands senior leadership teams to rise to the challenge by being visionary and creative in their roles, always creating a culture that is receptive to change and having the presence of mind to execute strategic plans that move the organization forward.

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