Developing a Strategic Leadership Approach within the Organizations[1]

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Abstract
Business leaders are facing today a tough environment that force them to identify and implement innovative ways for managing their people and organization, in order to assure the survival and development of their organizations.

Strategic leaders are concern with how to create and deliver the best value for their stakeholders, paying attention to their constraints. They understood that the traditional vertical chains of command are not longer enough and they have to be able to develop more horizontal networks, where there co-workers can learn, experiment and develop, both personally and professionally.

This article deals with some challenges that the strategic leaders must take into account in developing competitive organizations, able to meet the new standards that are raised by a more dynamic and provoking business environment.

Keywords: *strategic leadership, strategy, organizational culture, performances*

JEL classification: M 140, M 100

1. The need for strategic leadership

The present business environment places a high pressure on organizational capabilities in order to be able to meet the numberless challenges brought by a fast spreading economic crises and a suspicion with regard to managerial competencies of people at the top of organizations.

The globalization made its presence and the strong and complex connections that have been used in order to make high profits, have, this time, contributed to increasing negative impact of some markets disfunctionalities. There are many new flexible, aggressive, innovative competitors that move fast on the new markets and rapidly erode the advantages of already well established business (Hunger, Wheelen 1998)

Under these circumstances, the strategic leadership represents one of the fields with the highest impact over the functionality and performances of an organization. The organizations that develop based on realistic strategies, of the

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nature to bring clear benefits, will pay major attention to selection and promotion of strategic leaders.

These are the leaders who will lead the organization on their vision that will be subsequently transposed in strategy, those who make decisions for adjusting the strategic elements based on the information received both from internal and external environment. Thus the strategy will reflect the valuing of new conditions, based on well formalized plans (Verboncu, Nicolescu, Popa, Năstase, 2008).

A special attribute of the strategic leader is represented by the strategic thinking, his ability to perceive globally the organization and the complex relations that manifest among the different subsystems, as well as the interactions with the outside world.

The strategic leader is able to exert this strategic thinking on long term, despite of the numberless uncertainties that are associated to the today's business environment.

His decisions and actions are guided by a permanent report to the market realities, to what is happening outside the organization, to seizing the opportunities and threats that the organization or his team have to face.

The results that leaders get could be seen as having the roots within an unique set of qualities that we met at them. It is an attractive theory that could offer a possible solution for amplifying the number and quality of the leaders that the economy and society need in all fields of activity.

Some of leaders try to put the organization on the right track by energizing the people, stimulating them to come with new ideas, placing them in a kind of conflictual situation, searching or provoking them for thinking and behaving in an innovative way (Năstase, 2009). However, the leaders must pay high attention to the potential conflicts and their sources in order not to be generated large disfunctionalities and tension within organization (Leibling, 2005)

Researchers showed that we can't talk about three, four qualities that, if we have them, our leader status-quo is assured. Rather, we can talk about a wide range of qualities that contribute differently to the success of a leader and that is in strong connection with the characteristics of the context where he evolves (Bibu et al., 2007) and the specificity of his co-workers.

Performances recorded by organizations are dependent on the managers and leaders way of thinking and acting, issues that are reflected in their leadership style (Abrudan, 2007). Leadership supposes a specific approach that meet the organization's needs. It presents a strategic component that materializes in the vision and strategic leadership, but it has also an operational component, that targets the vision application.

Strategic leadership is characterized by the fact that those who practice it have a global vision, they pay attention first of all to the organization as a whole and not to a small part of it.

Strategic leaders are intensively involved in all the stages that are asked by sound elaboration and implementation of the strategy. They are, in most cases, the

promoters and beneficiaries of this important management tool, with huge impact over organization evolution.

It is an orientation that asks for a sound effort from the leaders part, having in mind the fact that there are many pressures over the leaders for getting their focus on the people problems around them.

In the performant organizations, for many times, the strategic leaders take advantage of the formal positions that they have, occupying job with a high diversity of denominations but able to send powerful messages throughout the organization: general manager, development manager, knowledge manage a.s.o.

It's important to have in mind that planning also means decision making, that the plan is a conscious process of choosing a certain course of action for reaching the organizational objectives (Brătianu, Vasilache, Jianu, 2006).

The strategic leadership relies on his specific vision that he builds up together with his co-workers. It is necessary to be harmonized with the vision of the other leaders at all the hierarchical levels, in order to assure a common understanding of the general objectives and the role that everybody has within the organizational mechanism.

For the development of the strategic leadership the staff creativity is one of the distinct features that we meet to the practitioners of this leadership type. The need for anticipation, drawing the future action directions within a very dynamic environment, asks for a lot of imagination and innovation from the leaders' part.

Without any doubt that this imagination is doubled by a consistent informational support, of the nature to lead to a better assessment of the concrete conditions where the organization acts. Strategic thinking materializes in a plan that includes the main pieces of the strategic vision and that are to be known by all those involved or affected by its achievement. The planning activity will represent a major challenge for an organization that targets to improve is competitive position in the market (Burdus, 2006)

In the implementation of the strategic vision, the leader relies on the competencies of the people around him and to whom he creates a stimulating environment for developing and behaving as veritable leaders.

As the environment is unpredictable, with surprising evolutions of some of its factors, the strategic leaders show a a high flexibility in what concerns the ways by which they follow their objectives.

Leadership depends a lot of to the context where the leader acts and where he is subject of multiple forces action. But the strategic leader doesn't afford that his attention to be drawn by minor events even if they could seem to have great impact over organization at a certain time.

In operationalization of the strategic thinking, the strategic leader works with different scenarios that can reveal a particular situation, depending on the internal and external factors of the organization. One of the important qualities of the strategic leaders is exactly this flexibility for working with different intra and extra organizational variables, under the conditions of high uncertainty.

Elaboration and implementation of the organizational strategy is one of the greatest responsibilities and challenges that strategic leader have to face. The stages that a strategy follows are: the grounding, the elaboration, the implementation and the evaluation of the strategy (Nicolescu, Verboncu, 2007).

Strategy represent one of the most important tools that the managers and leaders operate in order to harmonize the opportunities offered by their business enironment, the organizational internal resources and competencies (Zecheru, Năstase, 2005). Based on this, the leader follow to develop the organization in order to assure the best meeting of the customer demands.

The role of the strategic leaders is more important as they represent truly symbols for the persons inside and outside of the organization. For many times, they are able to modify rapidly the organizational climate, the personal mood and to contribute to their excitement for the activities that have to be carried out.

The staff, even if it trusts the leaders, is more and more eager to know their vision, to understand the objectives that are followed and what its role is in the organizational mechanism. The personal trust and enthusiasm can represent important variables in implementing the leaders' vision and reaching the strategic objectives.

2. The strategic framework

In order for an organization to have success, the strategy has to be aligned with its internal and external environment. Getting the performances is the result of harmony between strategy and environment. In order to succeed such approach, the leaders have to understand the forces that determine and shape the behaviors of customers, suppliers, competitors, employees within the context.

In the leaders decisions it can be noticed that they place a huge accent on the cause-effect relationship. They try to identify as well as possible a certain context and how they can extract maximum of benefits from that situation.

But their actions are oriented not only on short term, but also on long term, with clear focus on their goal. They are aware that what it's happening is just a stage or a way of action for reaching the strategic objectives.

This understanding allows them to identify the tendencies that manifest within the internal and external environment and value them by the elaboration and implementation of adequate strategies. Thus, they make strategic decisions, paying attention to the evolution of the environment and to internal capabilities, in such a way that the performances they get to be maximum.

The external environment of an organization can be divided and analyzed in two categories, function of the influence and intensity of relations between organization and its outside factors. These can be named direct and indirect environment.

The direct environment of an organization is represented by factors form outside of the organization that directly affects its functionality and performances and includes customers, competitors and suppliers.

We have to emphasize that the organization also has a strong impact over the stakeholders that are part of the direct environment.

The indirect environment exert a weaker influence as intensity, but over more organizations, by factors as economic, juridical, demographic, cultural a.s.o. Among the direct, indirect, and organization are strong interdependencies, the adjustment of one category of environmental factors being able to offer new opportunities or threats for that organization.

There are situations when the organizations decay as a consequence of the fact that the watching of the external environment fails to provide the necessary information or the leaders don't succeed to correctly interpret the outside signals.

Consequently, we notice that the strategic decisions don't reach the target and the general situation deteriorates. The strategic leaders have to be attentive to the opportunities and threats that permanently come from the environment. The opportunities appear when the environment tendencies create situations for growth, for improving the organization's results.

The threats come when the environment places a lot of pressures on organization and its components, leaving little room for maneuver and exposing the organization to high risks. Strategic leaders are those who are able understand the significance of both direct and indirect environmental factors, those who are able to follow and to interpret in a realistic way the signals that are send both from internal and external environment and, on this basis, they are able to create innovative strategies.

3. Revealing the organization's capabilities

In order for the strategy to be correctly grounded, it must be taken into consideration both the evolutions of the external environment and the internal capacity of organization for answering the opportunities and the threats from the environment.

The specific diagnostic analysis which reveals the strengths and weaknesses is necessary for designing the organization's profile that has to be taken in the consideration by the organization leadership in the process of elaboration and application of the strategy. The internal analysis will try to identify the elements of strategic importance for the organization, emphasizing its key competences. The key or distinctive competences reveal the organization strengths that the opponents can't easily copy or imitate. Building the competitive advantages, which represent the central point of elaboration and application of the strategy and the policies of the organization, are based on the discovery and use the organization key competences.

The key competences can be found in different areas of organization like as marketing (market shares, knowledge of the customer needs, the promoting ways of products/services), finance – accountancy (the capacity to attract the resources, the achieved investment), human resources (the personnel policies, the motivational system, the personnel turnover, the personnel qualification), a.s.o.

For many times, when it is intended to be changed an organization, the accent is placed on the structure and less on the nature and quality of the processes.

One of the modern concepts in international management is represented by the "reengineering". This concept was promoted in 1993 by Hammer and Stanton and further synthesized in their book "The Reengineering Revolution: A Handbook" from 1995. The application of this concept supposes taking into consideration, on new bases, the reintegrated process of the organization activities starting with placing in the centre of attention, the customers' needs for products/services.

Here is found one of the principles of organizational management according to which "the structure follows the strategy". In this way it is emphasized the focusing on the relevant activities of organization and not on certain departments. Moreover, it is necessary a change of the way of thinking, a change of the way of looking to the things, fact that represents the starting point of the adjustment or transformation of the organizational process.

For this reason it is advisable that the organizational leaders try to answer to the questions such as:

- Which are the clients' requirements and needs?
- In which extent what we do contribute to achieve the "added value" for the beneficiary?
- How is perceived the educational product/service offered by our organization? Which is the organization image for different stakeholders?
- Which are the coordinates that has to evolve the organization in order to insure a maximum satisfaction both for the direct beneficiaries and other stakeholders?

These questions are necessary because many managers of organization don't undertake a range of concrete actions for changing some process or structures because of the perception that there aren't enough resources and, especially, financial resources.

For this reason, when we talk about some organizational changes we see that they choose to change the name of the departments a.s.o., without paying attention to the content of developed process, the way in which they correspond to the economic, social realities so actually but prospective too. The truth is that a big part of organization is confronted with limited resources and this restriction would be further.

In this context the leaders of organizations must try to find viable solutions that contribute to the survival and development of organization. Otherwise, the competition that starts to manifest also in the educational field will create many problems to the way in which that organization will work, under the conditions of higher and higher organizational standards and personalized education.

In order to operationalize these elements, it is necessary that the strategic leaders to target the development of an organizational culture characterized by innovation, flexibility, dynamism and able to strongly support the achievement of the organization's strategic objectives.

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