New Approach to Strategic Planning: the Impact of Leadership and Culture on Plan Implantation via the three Cs: Cooperation, Collaboration and Coordination

Zomorrodian, Asghar Union institute and University

ABSTRACT

Strategic approach to management in general and strategic planning in particular has gained popularity and application in today's competitive and volatile environment. Increasingly in the present complex world, leaders and managers in public and nonprofit organizations feel the need to be strategic in their planning in order to fulfill the organizational mission and enhance stakeholders' satisfaction, Many problems though arise in successful implementation of such plans even if such plans are designed effectively. This paper will explore the most recent literature findings on the crucial role of three processes of collaboration, cooperation and coordination, known as the three C, play in successful implementation of such plans. Two major dimensions of the organization's internal capability, Leadership and Culture will be examined along with those 3 major factors for jump starting a successful strategic plan and securing the support of key stakeholders.

The Increasing Significance of Strategic Approach and Planning

Strategic approach to management has become modus operandi in most major organizations in the the past several decades. It has gained more popularity due to increasing complexity of the organizational environment, gloabalization, and shrinking resources as well recent economic tumoil at the global level. Most organizations manifet their strategic approach by getitng invovled in strategic planning process and putting in place a stretgic plan for survial and sustainbel growth. The central focus of strategic planning is the effort of internal and external decision makers to work together in solving issues and making the organization more effective via crafitang and imlementingnew strategeis. Bryson (2004) refers to the ABC's of strategic planning as: a) where you are b) where you want to be, and c) how to get there. The overall purpose of strategic planning then becomes to develop a continuing commitment to the mission and vision of the organization. While the nuts and bolts of strategic planning are mostly known to many organizations and coming up with well designed plan is common place nowadays, the difficult part is achieving the plan's goals and outcomes, making the plan implementation the most challenging task. The emphasis of this paper is to focus on this particular aspect of strategic planning by addressing the crucial role of the three Cs, namely Cooperation, Collaboration, and Coordination that can be operationalized via creating a supportive culture and effective leadership system in the organization. First, a few words on the complex nature of today's environment and the impact of globalization is in order.

The Tumultuous Environment: This author in a recent article referred to recent economic and social turmoil as an evidence of unprecedented changing environment for both business and government:

The dire economic situation in the United States that was unfolding in the past two years with housing bubble bursting like a big explosion and stretching over like a tsunami over the financial market has caused the nation and the world an unprecedented shock due to its enormity, pervasiveness, and the requirement of huge amount of resources-in some cases even beyond the capability of governments- to cope with it. Some called that the collapse of capitalism the way we know it. Others attributed that to lack of sound and prudent policies and of incompetency of government and it Chief Executive Office, namely the President and his cabinet, overlaid by greed and dysfunctional stock market in general and loose, unregulated derivatives segment of it, in particular. Whatever is or are

the cause (s) of such fiasco, attention has once more been attracted, and in very dramatic way, to the role of public bureaucracy in harnessing the unleashed animal called the financial market as the backbone of the free market economy. (Zomorrodian 2009)

Since then we have been witnessing the spread of such problems across the globe, the most recent examples of financial system collapse are political and social turmoil in a few European countries like Greece and Ireland and others that may surface in the near future. This brings us to the impact of the globalization as having, may be the most consequential, impact on setting strategies and strategic planning process in most organizations, be it public, private, or non profits.

The Impact of Globalization

Evans and Smith (2008) state that there was a time when individuals and organizations held a worldview encompassing what and whom they knew around them, defining distance in terms of community and national borders. Friedman (2005) says with the advent of globalization, however, our communities have become the world, and acting locally while thinking globally has become a survival-driven mindset, all in the course of one generation. In the context of organizational strategic planning for all—for-profit, nonprofit, and otherwise—an awareness of, and a grounding in the principles guiding this one-world movement have become an essential component of effective strategies for creating and maintaining organizational viability (Douglas, 2010). As the impact on strategic approach to management and strategic planning in terms of the rapid cross-border movement of labor changes the fundamental dynamics of the workplace, education and human resource allocation have become far more important issues than narrow, unilateral national political agendas as referred to by researchers like Nordgren (2002) and Canton (2006). For those individuals and organizations possessing the aptitude and the flexibility to embrace this new vision, the benefits of advantage have rewritten the rules of engagement on a scale unprecedented in human history. It is not surprising therefore, that knowledge-based organizations need to move ahead of the curve to gain a strategic advantage by embracing diversity and moving offshore to engage in collaborative partnerships with their communities and institutions within and beyond their boarder and refining their roles in the new and emerging world. Thus, globalization has become an important trend in business operations. National organizations setup subsidiaries in other countries to help take advantage of economies of scale and possibly cheaper raw material and labor to help improve organizational outcomes. In this regard, a number of American, Japanese and Chinese companies, to mention a few, have established subsidiaries in other parts of the world. Globalization basically deals with integration of organizational efforts and the apparent elimination of national borders to facilitate the smooth flow of goods and services. The competitive nature of business makes for an even more competitive global market place regarding global operations of business. Relevant organizational stakeholders will have to identify strategic issue of relevance within the new environment. The corporate structure of the new subsidiary in the new environment would have to adapt to the strategic vision and also monitoring processes within the global context. Wide range of American company such as FedEx, Ford Company, Coca cola, GE, IBM, Microsoft, Google among many others are operating in the global market would have to take into consideration the market structure in the new economy to be able to successfully adopt to effective and efficient global practices. As Korukonda (2006) explains, this is more of an organizational attempt to encourage long term organization development on the global market and encourage cultural and regional interdependence and integration. That is why, in spite of its benefits in term of organizational efficiency and effectiveness and pushing for sustainable strategic outcomes, some scholars and practitioners have developed cases against globalization on the grounds of neocolonialist efforts and exploitation by developed economies of developing countries. By its nature is a worldwide phenomenon that promotes interdependence and integration of organizational sustainable efforts. Its implication for the strategic planning demands that organizational I leadership and all key stakeholders, for that matter, have to effectively and efficiently scan both the internal and external environments for successful strategic planning efforts via the three important mechanisms of coordination, collaboration, and cooperation in the whole processes of identifying strategic issues, strategy formulation, planning and implementation, and evaluation to secure the survival and sustainable growth for the organization.

An Overview of the Strategic Planning Process

Strategic planning helps the organization to focus attention and resources towards the goals and strategies that will help the organization to grow, progress, and adapt successfully in the constantly changing national and global environments. The plan helps to organize the budget, gain collaboration and cooperation within the organization, and ultimately keeps the organization focused on what is important and what has to be addressed, based on a certain timeline. Another function of strategic planning process and the plan is that they provides a framework for what needs to be done and when, so that leadership can properly monitor the progress and take necessary action for adjusting the strategies and processes put into place. The climate of the world changes all the time, even the smallest change in circumstances can send even the best planned strategies into ruins. Continuous monitoring the progress really helps to make sure that the change in circumstances is dealt with properly and efficiently so that the long term goals are not affected adversely. Strategic planning process involves major steps among which attention to the vision and mission, identification of strengths and weaknesses, key strategic issues, stakeholders and their roles, implementation process are key to success. The role of three Cs in such process is the focus of this paper. But first, some brief account on important elements of strategic planning is in order.

Vision and Mission

Vision and Mission: Knwoing and projecting what the organizaton intends to be in the midieum and long terms and what positon it want to attain in the market or in the sector it belongs to is the essence of the vision that drives the organization towards its intended destination. The mssion of the organization is formulated based on such vision as manifested by the "msision statement", a kind of blue print for all iternal and extrnal stakeholders to guide them in their new endeavor. Bryson (2004) notes that for all organizations undergoing strategic planning, "it is very important to clarify what is explicitly required, explicitly forbidden, and not explicitly ruled out" (p. 99). He adds that it is important for the mission statements to reflect not what the organization *does*, but instead what it *is*. Also, such statement should clarify or give people a sense of what the organization is about or what the organization's fundamental purpose and values are, thus addressing the question of uniqueness and articulating that "... organizations must be quite clear about what makes them or the functions they perform distinctive or unique" (p.117).

Identify the Strategic Issues via the SWOT Analysis

Strategic issues must be the focus of new strategies and the way the strategic plan is crafted. These are issues that organization has to address directly as they emerge by either external or internal mandates or changes in the environment. The focus of SWOT analysis form most part is to highlight key strategic issues, both externally and internally driven, that affect crafting new strategies and strategic direction of the firm. For Bryson (2004) the process of strategic issue identification is one of his proposed steps in the strategic planning cycle. He defines strategic issues as "fundamental policy questions or critical challenges affecting the organization's mandates, mission and values, product or service level and mix, clients, users or payers, cost, financing, structure, processes, and management" (p.43). In an effort to identify strategic issues, some of the guidelines which McNamara (2009) includes components like building on the strengths, strengthening weaknesses and opportunities to be taken, and avoiding threats. Bryson also states that "formal adoption of strategies and strategic plans can involve political intrigue, tough bargaining, public posturing, and high drama" (p.183). For him this process particularly seems not be smooth sailing particularly with regard to pubic organizations, however for any type of entity, the whole idea is to gain support from key stakeholders in order to adopt the plan. Identification of strategic issues partly has to do with the understanding of organizational mandates as an integral part of the entity's ability to provide added values and service. As for mandates, particularly the external ones, like regulations, standards, and contract requirements can pose limitations, constraints, and conditions for the way new strategies are designed in the planning process. SWOT analysis, among other things can help organization to identify key strategic issues confronting it in both short and long terms. SWOT analysis consists of examining the organization's market, its competitive edge, it potency, realities, prospects, and the host of risks it faces. Added to that is the internal strengths and weakness that need to be assessed carefully both in terms of the existing and potential ones. The main purpose of Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis is to eventually come up with a good strategy or series of

strategies for the organization (Bryson, 2004; Roth & Washburn, 1999). A SWOT analysis can help with developing a strategy that is appropriate to match the organizations external and internal environment to the strategic plan (SP). As Bryson (2004) states, "strategic planning, in other words, is concerned with finding the best or most advantageous fit between an organization and its environment based on an intimate understanding of both" (p. 125). The way this is accomplished is through a SWOT analysis of the organization. We have to note that SWOT is an iterative process. It must be dealt with as an ongoing process- rather as a function and thus render the valid outcomes as the environment of the organization, both internal and external changes. Another aspect of such analysis has to do with forward-looking thrust in that: a) on external assessment, when we talk about opportunities we are talking about the future; some kind of forward looking mechanism must be in place to help us see what is happening and looming in order to have a good grasp of opportunities, mostly potential ones that are not detected by an average organization, and b) on assessing the internal strengths, in addition to the existing strengths, emphasis must also be put on potential ones that need to be detected, developed, nurtured, and capitalize on, both the two sides of the same coin. Being forward looking, detecting what will or at least can happen, taking risks, and being aware of emerging trends are essential in order to make the system ready for coping with them via installing what I call a "built-in flexibility" that has to be incorporated in the strategic plan.

Stakeholders

Dewhurst and Fitzpatrick (2005) defined stakeholder as "any individual or group that has the resources you need to deliver an initiative successfully or that has a stake in the initiative and stand to win or lose something from the plan. The relevance of appropriate stakeholder relationship in attaining organizational effective outcomes has become important preoccupation of any true and authentic strategic plan. The objective here is to have all important stakeholders perception, input, and commitment in the decision making process for a more holistic understanding and commitment towards the right strategic decision making process. According to Freeman and McVea (1998) "a stakeholder approach emphasizes active management of the business environment, relationship, and the promotion of shared interest" (p. 192). Literature on stakeholder management emphasizes the practicality and relevance of stakeholders' active role and their involvement in sustainable outcomes. Several strategies can be adopted by organizations to identify and prioritize stakeholders in terms of their relevance, influence and impact on the strategic plan. Normally the initial responsibility is with the strategic planning committee but can either assigned or complemented by other units or teams engaged in the planning process. Part of this process also has to do with addressing issues that key decision makers think are important and involving them in the decision making process. Relevant stakeholders not only represent ownership interest in organizations but also the interest and values of community in which the organization operates. Addressing issues that have relevance and are important to key decision makers will help with stakeholder involvement in the decision making and strategically adopted processes. Considering the alternatives and the obstacles to their values by all relevant stakeholders will give the sense of needed engagement in the process. Thompson (2001) emphasized that in considering, issues that are relevant to key decision makers, reasonable negotiations and compromises may be resorted to without losing focus on the core principles of the initial strategic proposal. The objective here is to make key decision makers part of the organizational decision making process. According to Brugha & Varvasovszky (2000) the best reason for completing a stakeholder analysis is because it "... aims to evaluate and understand stakeholders from the perspective of an organization, or to determine their relevance to a project or policy." (p. 239). Meeting key stakeholder expectations is a relevant part of the strategic adaption and implementation process. This strategic initiative is relevant as it helps with discussing and evaluating strategies in relationships with stakeholder expectations. This is an attempt to build a supportive coalition towards meaningful and sustainable organizational outcomes. Bryson (2004) suggests several strategies for stakeholders analysis, among them Co-option and Structured Approach seem to have a variety of applications. The Structured Approach involves the identification of stakeholders; mapping where they are now and where you want them to be; and deciding how to close the gap (Dewhurst & Fitzpatrick, 2005). The Co-optation method has the greatest chance of generating stakeholder buy-in. However, one

has to believe in the process or project being proposed in order to commit to the participation and planning.

The Important Role of Implementation

The most formidable part of strategic planning that has to do with the implementation. This is a phase that everything that has been planned for needs to be put into action and as the plan proceeds necessary modifications, changes, and revisions are to be introduced and installed on a timely basis. One important aspect of plan implementation has to do with having capable organization and support systems in place, quality people in charge, and mechanisms available for their motivation and facilitating the way they can work together in achieving the plan's strategic goals. This is why the role of the three Cs is so important in making the plan implementation successful. Positive impacts through these three processes via creating an accommodating culture and other support mechanisms can be attained if the organization is benefited from an effective and relevant leadership system. Before getting into the impact of the three Cs, a brief reference to a few important elements of effective implementation is in order.

- 1. Creating support systems for **a**ligning internal organizational goals espoused by executive and administrative cadres with broader external goals is necessary along with enhanced decision-making and communication protocols accompanying the new plan.
- 2. Monitoring and assessing implementation effectiveness is another essential component to be put in place for formal iterative reporting protocols and informal feedback loops that engage all stakeholders to ensure that assessment processes remain a core function of the implementation process. Evaluation is crucial, because without close and continuous monitoring, even the very best plans can be derailed—even before implementation is complete (Rogers & Wright, 2009).
- 3. As Aguilar (2003) indicates, there is a need for performance measurements that are effective and he suggests that they must be tied to "how do we motivate and retain people?" (p. 47.) This must be augmented with compatible incentive plan for motivating employees formally and informally as the case might be.
- 4. There also must be some mechanisms for activity integration. What Bryson refers to as Integrated Units of Management Approach and The Strategic Plan and Performance Measurement approach methods allow for monitoring and evaluating the strategic plan. Integrated units of management approach links inside and outside environments in effective ways through development and implementation of an integrated set of strategies across levels and functions of the organization. This approach enables an organization to plan for results, budget for results, measure the results, evaluate the results, report the results, and make decisions (Bryson, 2004).
- 5. Zomorrodian and Matei in disusing the policy and program evaluation refer to three levels of project, cluster, and program/policy evaluation that extend the evaluation from micro to macro level. While each level is independent from each other, the evaluation information from multiple levels renders a holistic approach and helps those involved to make effective and informed decisions regarding the programming and policy work (2010). The same argument is true when evaluation and assessment of strategy outcomes come into play. This way both short term operational outcomes can be tied to those that are longer term and strategic in nature, making sure that both types of outcomes reinforce each other, and will provide a good latitude for both strategy and activity/process change and modification to make them more effective. Tying macro and micro levels together will have an added benefit of linking both operational and strategic outcomes together and to see how the former are instrumental in achieving the late.

The Impact of the Three Cs (Cooperation, Collaboration and Coordination)

Achieving strategic goals of the organization both in terms of crafting the right plan that incorporates the interests and support of key internal and external stakeholders are among keys to success. Doing so demands that designed activities and strategies are carried out via different implementational mechanisms, encompassing the three major processes of cooperation, collaboration and coordination. The three Cs both independently and in conjunction with each other are instrumental in making the goals of strategic plan happen. Following are some brief accounts as how each works to that end.

Cooperation as an important element in the strategic implementation process emphasizes partners working together as a team in a timely manner to achieve organizational goals and objectives. Cooperation implies the necessity for a meeting of the minds among all stakeholders as to what is important for the organization now and in the future. It implies a balance between individual vs. organizational needs, and if addressed appropriately, will lead to the buy-in that will, in turn, lead to commitment. This process does not evolve without a concerted effort to engage and respect the input of all members—influential and not so influential—within complex organizational structures. Strategic plans do not implement themselves, and without not only key employee and constituent stakeholders, but all rank-and-file members of an organization on board, the plan will almost always fall short of expectations (Mittenthal, 2002). In cooperation the driving concern is creating value. In addition, the creativity of the strategic plan and the members will promote a cooperative setting to share the intended outcomes. One suggestion by many authors in making the cooperation happen is to introduce changes that can be accomplished easily in that the implementation will flow more smoothly and speedily (Gladwell, 2008; Rogers, 2003), and will enhance cooperation when the tougher stages of the plan comes up for implementation. Bryson (2004) emphasized "as planning team work to organize participation, create ideas of strategic significance, build a winning coalition, and implement the ideas so that the decisions and actions produced lead to meeting the organization's mandates, fulfilling its mission, and creating real public value" (p. 61). Cooperation among units and individuals therefore have significant implications towards organizational bottom line and competitive edge. Eden and Ackerman (1998) mentioned that effective strategy formulation and implementation process link rhetoric, choices, actions, and consequences into reasonably coherent and consistent pattern across levels, functions, and time. Strategic implementation therefore is a continuous process that helps to integrate and link strategic issues to actions for effective organizational outcomes at every stage of the strategic planning process in cooperative way. Collaboration implies interdependence and an innate need to pool strengths to build capacity. Strategic plans that factor into their designs a merging of current assets and strengths to build capacity for positive change are the ones that stand the best chance of being successfully implemented (Bryson, 2004). In short, they are practical applications of logical alternatives agreed upon by all who will benefit, inclusive of those who may be harmed by, the transformations the new plan will generate. In collaboration, all stakeholders must see the benefits and understand that working together will provide the tools in reaching the common goal. As mentioned by Bryson (2004, "If implementation will occur in a collaborative setting, a great deal of time and effort will be necessary to plan and manage implantation in a strategic way" (P.249). This indicates that a considerable amount of effort must be spent in collaboration, because without that, strategic plan will inventively stall and start to collect dust on the bookshelf. The role of communication in implementing collaborative efforts is often overlooked as a precursor to consensusbuilding aimed at leveraging strengths, in order to build capacity within and between entities according to Denise (2007). And, although widespread consensus is not necessarily a prerequisite for developing and successfully integrating a strategic plan (Bryson, 2004, p. 20), the degree of endorsement from employee and constituent stakeholders can in fact expedite or confound those efforts (Dess, 2006). The use of crossfunctional teams is recommended by Mc Namara (2008) in order to ensure that the plan is realistic and collaborative (p.10). This means that different units or departments must collaborate in order to do their part for the implementation process to be a success. For example, in order to implement a training program in large organization there must be collaboration among many unites, or subsidiaries, and sometimes outside agencies in order to oversee the successful implementation of the program. For this process to be efficient and effective there must also be coordination and cooperation among all those involved in this process.

<u>Coordination</u> of implementation activities begins with the awareness that organizations across the sectors, or departments and divisions within a single organization, have widely varying hierarchical structures, operational cultures, and mission trajectories, and require skill and precision in aligning these to create systemic improvements that will benefit entire organizations. Obviously, this heightened awareness has the potential for promoting the successful implementation of a well conceived strategic plan (Drucker, 1974). In coordination, it is a flowchart of milestones and goals reached in addition an evaluation of the

process. This takes a skillful leadership in working with the strategic plan members and the stakeholders. As mentioned by Bryson (2004)), "Hang in there! Successful implementation in complex, multiorganizational, shared-power settings typically requires large amounts of time, attention, resources, and efforts (P.255). Coordination, then, depends upon clearly articulated action plans and an organizational environment conducive to continual consensus building directly focused on goal setting and attainment. In large organizations multi-level matrix of coordination protocols might be needed to keep even the most well designed plans in place, on time, and moving forward (Bryson, 2004). This is a complicated process requiring an awareness of relationships and an attention to detail not normally required at the organizational unit or departmental levels. It also takes practice, and a trial-and-error approach with integrated feedback loops in order to monitor progress and correct mistakes as they occur. Coordination of programs, products, and action plans within the strategy implementation efforts by different individuals, units, and levels within any organization will help ensure efficiency in organizational performance. All strategic implementation needs to be effectively coordinated. Effective coordination of organization strategic implementation effort will reduce overlaps will and ultimately help reduce organizational cost. Luo, Mallick, and Schroder (2010) on the relevance of coordination as an important element in a product development emphasized "internal coordination capability positively moderates the relationship between suppliers' involvement and collaborative product development" (p. 244). Effective implementation of strategic plan helps fill the gap between planning and achieving the desired organizational outcomes thus impacting organizational mission and vision and sustainable outcomes.

Cooperation, coordination, and collaboration of strategic planning efforts should be monitored also based on expected outcomes of the strategic effort at the individual, unit, and departmental levels. Monitoring and evaluating a strategic plan is an important aspect of the strategic planning initiative that has become necessary due to changing internal and external relevant environmental variables. Monitoring and evaluating of strategic plans is a continuous process that needs to be effectively ensured from the beginning of the strategic planning process. Monitoring and evaluating stakeholder criteria and analysis is therefore important in strategy formulation and implementation. The process of plan monitoring and evaluation therefore will help eliminate irrelevant issues while enhancing organizational effectiveness through meaningful and sustainable organizational outcomes.

The Issue of Culture

Organizational culture is defined as the system of values, rules, symbols, taboos and rituals that evolve over time and are integrated, differentiated, or fragmented (Sherman, Rowley, & Armandi, 2007). Contrast to the classical theories of management that searched for structured, prescriptive, and clear-cut guidelines to run a firm, modern theories along with new conceptualization of managerial processes, introduces the organizational culture as may be the most important component of such processes that not only can have a make or break impact on the total system, but can dictate how to approach major changes in the organization be it structural, behavioral, or technological among others. Some authors including McNamara (2008) righty emphasize the significant role of the culture in the strategic planning process. For example he states that "the way that a strategic plan is developed depends on the nature of the organization's leadership, culture of the organization, complexity of the organization's environment, size of the organization, expertise of planners" (p.1). Poister and Streib (1999) also state that "the overall purpose of strategic management is to develop a continuing commitment to the mission and vision of the organization, nurture a culture that identifies and supports the mission and vision, and maintain a clear focus on the organization's strategic agenda throughout all its decision processes and activities" (p.31). In their article Sherman, Rowley & Armandi (2007), cited that an organization's culture identifies how things get done in the organization. According to them "culture drives expected behaviors internal to the organization as well and those engaged when interacting with its surrounding environment" (p.5). The authors describe organizational cultures as integrated, differentiated, or fragmented and state it is based on "conflict and usually have subcultures broken down into those groups in power (the "haves", the dominant coalition) and those outside the power structure (the "have not's", the minority coalitions)" (p.5). This situation is counter-productive to the strategic process which relies on the coordinated efforts

of all stakeholders. The organizational culture should be one that is geared towards the achievement of the objectives of the force with all parties working together. An organization needs to cultivate a culture where all members are motivated towards the same change efforts. This could be addressed in what Aguilla (2003) cited as the strategic performance management approach which ensures that the entire organization is working in alignment with the strategic plan. He states that "a key purpose of performance management is to align the entire organization behind the goal of turning the strategic plan into effective action." (p.6). What he describes can be achieved by ensuring that management communicates with employees to involve them in the process in order to empower them to implement change, and to create a culture that energizes employees and inspires them to work together to achieve the strategic goals

The Leadership Factor

Effective strategic planning has helped make the difference between organizations that have a competitive sustainable advantage and others that have not. Strategic planning basically helps identify the direction an organization is moving and what the organization plans to achieve within its environment in both the short and the long runs. The complex and diverse nature of the nonprofit and for-profit organization environment coupled with the changing internal and external organizational environment has made adopting strategic planning an issue of paramount importance. Organizational leadership has therefore used strategic plans as a better initiative towards meeting the challenges of both the internal and external environments. The processes of strategic plan include such relevant step as maintain clear organizational mission and vision, stakeholder analysis, identifying strategic issues, formulating and implementing strategic plans, and monitoring plans towards accessing plan effectiveness. According to Bryson (2004) "strategic planning is one way to help organizations, entities, and communities deal with their changed circumstances" (p. 27). Strategic planning is thus more in tune with organizational purposes and established realistic goals that are consistent with organizational mission within a specified time period. Zomorrodian in discussing the organizational effectiveness, emphasizes on significance of leadership as:

One may argue that there is no topic that has been more important to business and government success than leadership. There have been approximately 1700 books written on leadership and those topics that are closely related to leadership. Bennis and Burt Nanus, when they wrote their book titled "Leaders" in 1985, found over 350 different definitions of leadership (P. 12). Modern leadership, in spite of its too many definitions, and deliberation, all contain some common process elements like personal commitment, relationship building, vision creation, ethics, and vision into reality as few examples. (2009 .P.)

Leadership theories moved from simplicity to more complexity in order to cope with the complex environment. Simplified trait and behavioral theories were replaced, at least theoretically, by more sophisticated theories and models known as contingency theories, transformational leadership, and more participatory approaches like super leadership. Along with that another movement that started in late 1970s, obtained a new momentum for focusing on the ethics and morality of the leaders and leadership styles. Prompted by his famous article, Greenleaf coined the term "Servant Leader" and "Servant Leadership" that now-a-days are the focus of most academic and professional circles. While the focus of contingency models is to explain the relationship between leadership and various situations that could occur within companies, approaches developed and recommended by researchers like Fiedler, House, Heresy and Blanchard started with the idea of matching the situation with the appropriate leadership style (Daft 03), and were extend rigorously to the quality of the leader-member relationship, thus emphasizing the importance of followers. The first manifestation of this was shown through a more advanced contingency theory called the path-goal theory by Evans and House. Leaders have the ultimate responsibility to enhance or increase the subordinate's motivation by clarifying their path to rewards that are available and to provide the necessary support system to help the followers by adopting the appropriate leadership style that fits a given situation (Robbins, 2005). At the heart of the effective leadership both the organizational and societal levels two major issues are at work. The first one has to do with issue of power and the second is the role of leadership in jumpstarting, facilitating or hindering, the change process that is the salient feature of any organized system at the present time. (Zomorrodian

1128

Contextualism) Nowhere is the impact of leaders as change agents is clearer than in changing the organizational strategies and direction. Sherman, Rowley, & Armandi (2007), emphasize that organizations internal environment concerning leadership is a variable that can strongly influence the strategic plan. They refer to the now famous leadership styles of transformational and transactional and add that Transformational "is defined as providing the vision and direction for the firm while settling the tone and tempo for the organizational culture and work climate" (p. 167). For them Transactional leaders "maximize worker on-the-job performance by providing workers with the type of personal support and guidance they need in order to accomplish a specific task or function" (p. 167). Most organizations use both transactional for more mundane activities, like training, work instructions, supervision of routine activities, and transformational for change and sustaining the competitive edge and variability of the organizations. McNamara refers to the latter as having to do with leadership effective and efficient responses toward relevant internal and external environmental so vital in the strategic planning process (2010). Scanning the organizational environments help provide organizational leadership with a meaningful understanding regarding factors that impact the organizational effort mostly manifested by identifying the strategic issues aiming at focusing the organizational attention to what is truly important for the survival, prosperity, and effectiveness of the organization. The involvement and commitment of relevant stakeholders in the identification process therefore cannot be over emphasized.

Conclusion

In spite of all merits of strategic plan it is not a panacea for all organizational ills, problems and/or aspirations. To what extent strategic planning initiatives can be instrumental? The answer is that it depends on how it is being implemented and how support systems are made available. The diffidence between Strategic Approach to management in general versus non strategic lies on the fact that the former would mobilize and actualize the potentials (resources, capabilities, human and nonhuman) and not just relying on existing ones. The other side of this equation is how the organizational leadership has the ability and willingness to create a kind of "build-in flexibility", as was mentioned earlier, to respond to unexpected and unprecedented situations and problems that may surface as the organization proceeds with the strategic plan. This is why progressive and capable organizations, mostly known as the learning organization popularized by scholars like (Senge) and others, can respond to volatile and changing environment effectively. Looking at the implications of the three Cs for leadership, one has to look also at another side of this phenomenon that is the followers and the impact of followership. Howell and Costley (2006) state that in today's organizations followership is defined as an interactive role individuals play that complements the leadership role and is equivalent to it in importance for achieving group and organizational performance (p. 298). This is a definite contradiction to the old version of followership, which pretty much summed up to mean be quiet, do not make waves and do what you are told to do by the leader. The leader was the one with the power. As Joseph Rost (2007) states followers are no longer passive, that is the old way of thinking. He states that since leaders are no longer equated with being superior and having all the power than followers are no longer passive and act as subordinates. Today's followers, besides representing an increasingly diverse group, are informed and enlightened, and often know more than the leader about how to get the task done. Organizations today expect more from their employees than just being a tool that is operated by a higher component. The workforce has changed and organizations have to allot for these changes. In a consulting report titled "Followership" Gordy Curphy states that leaders use to have all the power but due to globalization, successive generations entering the workforce, rising education and an increase willingness to change careers and companies followers have realized they can add more value to a company by doing meaningful work. He also states that the leaderfollower cultural changes have changed so dramatically that the United States military has fundamentally changed how officers lead and treat their soldiers (p.). This brings us to the fact that for long this crucial aspect of leadership has been missing due to the fact the focus and the zoom were on the leaders (or the so called leaders) as "the" factor for organization and groups' success. Not to deny the role of the leader since eventually it is the leader that through her or his ability, understanding, and skills can create the right environment for effective leadership and success. However, "followers" are the most important

factor- a make or break- for the success of any organization or team. The very fact about the complexity of followers in terms of education, expertise, diversity and other features on one hand the globalization trend on the other, put today's followership in the leadership equation in a totally different way as compared to the past. The followers are located in different places, work or foreign owned companies, or employees consist of people with different cultural and social background and values premises. This is why while the contingency approach to leadership in this author's opinion is "the "approach to incorporate key relevant contextual factors of any given situation, engaged leadership in the whole process of strategic planning including the implementation, particularly with regard to the three Cs is the key to success. And when cohesive and collaborative team works are in place in strategy implementation phase it is the leadership that plays a decisive role in creating strong culture for the organization members to offer their best or "better than the best" in striving for superior quality and service. (Zomorrodian, 1998)

References:

- Aguilar, O. (2003). "How strategic performance management is helping companies create business value." *Strategic Finance*, 84(7); 44-49.Bosworth, Barry and Gary
- Burtless (1997). "Budget Crunch, Population Aging in Rich Countries." *Brookings Review*, Volume 15, Number 3 (Summer), 10-15.
- Bennis, ,W. (2007). The challenges of leadership in the modern world: Introduction to the special issue. American Psychology, 62(1), 2-5.
- Bryson, J. M. (2004). Strategic planning for public and nonprofit organizations: A guide to strengthening and sustaining organizational achievement (3rd ed.). San Francisco: Jossey-Bass.
- Brugha, R. & Varvasovszky, Z. (2000). "Stakeholder analysis: a review." *Health Policy and Planning*, 15(3), 239. Retrieved October 6, 2010, from ProQuest Central. (Document ID: 373582741).
- Canton, J. (2006). The extreme future: the top trends that will shape the world for the next 5, 10, and 20 years. New York: Penguin Group (USA) Inc.
- Curphy, G. (n.d.). *Followership*. St. Paul MN. Curphy Consulting Corporation. Dewhurst, S. & FitzPatrick, L. (2005). *Turning stakeholders into advocates. Strategic Communication Management*, 9(6), 6-7. Retrieved October 6, 2010, from ABI/INFORM Global. (Document ID: 925428051).
- Denise, L. (2007). *Collaboration vs. C-three (cooperation, coordination, and communication)*. The Rensselaerville Institute, Innovating Reprint, 7(3). Retrieved from http://www.practitionerresources.org/cache/documents/646/64621.pdf
- Dess, G. G. (2006, November). "Consensus on strategy formulation and organizational performance: competitors in a fragmented industry." *Strategic Management Journal*, 8(3), 259-277. doi: 10.1002/smj.4250080305.
- Drucker, P. F. (1974). *Management: tasks, responsibilities, practices*. New York: HarperCollins Publishers, Inc.

- Douglas, E. (2010). "The worldview paradox: leadership in an era of globalization and diversity." Ezine Articles. Retrieved from http://ezinearticles.com/?The-Worldview-Paradox---Leadership-in-an-Era-of-Globalization-and-Diversity&id=4539170
- Dewhurst, S. & FitsParick, L. (2005). Turning stakeholders into advocates. *Strategic Communication Management*, 9(6): 6-7.
- Dusenbury, P. (2000) *Governing for results and accountability. Strategic planning and performance measurement.* Retrieved from www. rban.org/publications/310259
- Hollan, J. F. (2008, August). *The perils of strategic planning*. The Center for Association Leadership. Retrieved from
- Howell, J. P., & Costley, D. L. (2006). *Understanding behaviors for effective leadership* (2nd ed.). Upper Saddle River, NJ: Pearson Education, Inc.
- Korukonda, A.R (2006). Globalization, social development and operations research: An exploration of strategies for success. *Annual of Operation Research*, Basel: 143. 1.
- Luo, C., Mallick, D. N., Schroeder, R.G. (2010) Collaborative product development; Exploring role of internal coordination capability in supplier involvement. *European Journal of Innovation Management*. Bradford, Volume 13, Issue 2, p. 244.
- Friedman, T. 1. (2005). *The world is flat: a brief history of the twenty-first century*. New York: Douglas & McIntyre, Ltd.
- Korukonda, A.R. (2006) "Globalization, Social Development, And Operations Research: An Exploration of Strategies for Success". *Annals of Operations Research*, 143, 21-30
- McNamara, C. (2010) Basic overview of various strategic planning models. Retrieved from: http://www.managmetn.help.org/plandcc/str plan./models.htm
- Perry, L. (2010, May). The significance of internal communication. Wordpress.com (Tutorial). Retrieved from http://intercomms.wordpress.com/the-significance-of-internal communication-on-organisational-behaviour-and-employee-engagement/
- McVea, J.F., and Freeman, R. E. (2005). A names-and faces approach to stakeholder management: How focusing on stakeholders as individuals can bring ethics and entrepreneurial strategy together. *Journal of Management Inquiry*, Volume 14, issue 1, pp. 57-69.
- Mittenthal, R. A. (2002). "Ten keys to successful strategic planning for nonprofit and foundation leaders." TCC Group. Retrieved from: http://www.tccgrp.com/pdfs/per_brief_tenkeys.pdf
- Nicholson, O. (2010). The SWOT analysis matrix. SWOT Analysis Tows Analysis. Retrieved from http://realswotanalysis.blogspot.com/2010_04_01_archive.html
- Nordgren, R. D. (2002). "Worldview: globalization and education what students will need to know and be able to do in the global village." Phi Delta Kappan, 84. Retrieved from http://www.questia.com/googleScholar.qst?docId=5001505252
- Novitski, B. J. (2008). "Managing the ever-more-distributed workforce." *Architectural Record*, 196(11), 83–83.
- Robbins, S. &. (2009). *Organizational Behavior* (13th ed.). Upper Saddle River, New Jersey: Pearson Education.
- Rogers, E. & Wright, P. (2009). "Measuring organizational performance in strategic human resource management: problems and prospects" (Working Paper 98-09). Department of Human Resources Studies, School of Industrial and Labor Relations, Cornell University.

Retrieved from:

- http://digitalcommons.ilr.cornell.edu/cgi/viewcontent.cgi?article=1121&context=cahrswp
- Rost, J. (1991) Leadership for the twenty first century. 107-112. New York. Praeger.
 - Date Modified: 26 Oct 10 12:33 PM MST
- Sherman, H., Rowley, D. J., & Armandi, B. R. (2007). "Developing a strategic profile: the preplanning phase of strategic management." *Business Strategy Series*, 8(3); 162-171.
- Van Weenen, H. (2000). Towards a vision of a sustainable university. *International Journal of Sustainability in Higher Education*, *I*(1), 20-34. Retrieved from http://studentenvoormorgen.nl/upload/git/Hans_Van_Weenen.PDF
- Zomorrodian, A. (1998). "Emerging Trends In Leadership As They Apply to Strategic Management" *Journal of Business and Behavioral Sciences*, Vol.4 N1. Fall.
- Zomorrodian, A. (2009) Transformation/Innovation or Patchwork? Juxtaposition of Public Policy Process and the Role of Leadership in a Chaotic Environment: Is a New Paradigm in the make? *Romanian Journal of Theoretical and Applied Economics* Vol. XVI, No. 4 (533) Submitted to 16th.
- Zomorrodian, A. (2009) "Contextualism Revisited: Towards More Relevant Conceptualization of Public Administration for Ethical and Sustainable Leadership in the Context. *Romanian Journal of Theoretical and Applied Economics* Vol. XV, No.12 (529)
- Zomorrodian, A. (2010) Program Evaluation: Its Significance and Priority for Shaping and Modification of Public Policies: A Comparative Analysis (with Lucica Matei). Submitted at the 17th. Annual meeting of American Society of Business and Behavioral Sciences,.