

LEADERSHIP STYLES AND STRATEGY IMPLEMENTATION IN THE NATIONAL DEPARTMENT OF TRADE AND INDUSTRY

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Abstract

Leadership styles play a critical role in the successful implementation of strategies in an organisation. The success and failure of strategies are directly linked to how leaders implement them, and most failures in implementation emanate from poor leadership skills. The purpose of the study was to determine how the leadership styles of senior managers contribute to strategy implementation. A quantitative research method was employed in the study, and data were collected by means of a survey. The findings revealed that senior managers with a transformational and transactional leadership style have a positive influence on strategy implementation, while senior managers with a laissez-faire leadership style have a negative effect. Senior managers need to be more cognisant of how they provide direction through their leadership styles during the process of strategy implementation. The contribution of the study is significant in that it contributes to research literature representing the influence of leadership styles on strategy implementation. In addition, it makes a practical contribution to senior managers in the Department of Trade and Industry as it guides them towards a better understanding of the importance of the role of leadership styles in the strategy implementation process so that strategy implementation initiatives can be properly directed.

Keywords: Strategic Management, Strategy Implementation, Leadership Styles.

1. INTRODUCTION

The implementation of strategy is an important part of the responsibility of all leaders and forms the core of an organisation's activities. According to Brinkshroder (2014) and Waweru (2011), the success and failure of strategies are directly linked to how leaders implement them. Many organisations formulate great and unique strategies, but those great strategies fail at implementation, preventing such organisations from being successful. The road to successful strategy implementation is full of obstacles that require unique leadership skills. In this regard, Hrebiniak (2005) argues that strategy implementation is difficult to achieve, and if management wishes to develop best practice implementation skills, they must be able to accept a new strategic mind set. In addition, Martin (2010) argues that organisations often find themselves in an "execution trap", that is, the inability to implement a well-designed strategy.

The Constitution of the Republic of South Africa, 1996, as well as the Public Administration Management Act, 2014 (no. 11 of 2014), require that public administration in South Africa must be governed by specific principles (Republic of South Africa [RSA], 1996; 2014). These principles include professional ethics; accountability; the efficient, economic and effective use of resources; the provision of services; responding to the people's needs; and good human resource management and career development practices. In order to implement national legislation, each department is responsible for formulating and implementing its own departmental strategic plan keeping the above principles in mind.

This article is based on a PhD study performed at the National Department of Trade and Industry (dti). The aim of the study, as reflected in this article, was to determine how the leadership styles of senior managers contribute to strategy implementation at the dti. This was necessitated by the realisation that limited information exists as to why leaders experience challenges in implementing strategies, as well as why the department underperforms in meeting its strategic objectives.

In order to achieve this aim, the article first identified the leadership styles that senior managers employ to implement strategies at the dti. Following this the obstacles that impede strategy implementation were identified, categorised and assessed and recommendations made that will enhance strategy implementation in the dti.

2. PROBLEM STATEMENT

Researchers such as Chege, Wachira and Mwenda (2015), Azhar *et al.* (2013) and Mintzberg (1994) indicate that fewer than 50% of strategies formulated are implemented and that most failures in implementation emanate from poor leadership skills. Limited attention has been given to this area of strategic management, with the strategy implementation literature remaining highly disjointed and spread out, and there is little research into the role of management in strategy implementation (Elbanna, Andrews & Pollanen, 2016; Elbanna, Thanos & Colak, 2014; Bossidy & Charan, 2011). Elbanna *et al.* (2016) further indicate that many researchers experience difficulties in the subject area due to the lack of a successful body of literature on which to base new research.

Despite many efforts and a significant investment made in strategic planning, time and resources, implementation of strategies remains a challenge in the dti. Most senior managers are able to successfully formulate their strategies, yet not all are able to successfully implement them. The dti Annual Performance Report (2014–2015) indicates that a total amount of R15.4 million was redirected between various divisions to meet its strategic objectives, but 57% of these objectives have still not been met. The progress on some of the dti's strategic outcomes-oriented goals reflects "under achievement" or "are not implemented" (dti, 2014–2015).

3. STRATEGY IMPLEMENTATION

Wheelen and Hunger (2009:214) define strategy implementation as the totality of activities and choices (decisions) required for the execution of a strategy that involves a systematic process or a logical set of connected activities ensuring that an organisation's strategy works. Andrews *et al.* (2012) view strategy implementation as the communication, interpretation, adoption and enactment of strategic plans. The implementation of strategy is a key aspect of strategic management, and the best strategies become meaningless if they cannot be implemented successfully (Brinkschröder, 2014). The effectiveness of any strategic plan lies in the extent to which it is able to be implemented (Reid *et al.*, 2014). In addition, it can be said that it is more sensible to implement a simple and basic strategy effectively than to destroy a world-class strategy through poor implementation.

According to Andrews *et al.* (2012:643), the public service is required to balance strategic directions and implementation styles to achieve performance improvements. Section 85 of the Constitution of the Republic of South Africa, 1996, determines that the executive authority of the Republic is vested in the President, who exercises this authority with the Cabinet (RSA, 1996). As such, the President and Cabinet are responsible for implementing national legislation, developing and implementing national policy and coordinating the functions of state departments and administrations (RSA, 1996). Section 195 of the Constitution further requires that public administration must be governed by the democratic values and principles enshrined in the Constitution. These principles include principles such as a high standard of professional ethics; the efficient, economic and effective use of resources; accountability; the provision of services impartially, fairly, equitably and without bias; responding to the people's needs; and good human resource management and career development practices, to maximise human potential (RSA, 1996). The aforementioned principles are also contained in the Public Administration Management Act, 2014 (no. 11 of 2014). The Public Administration Management Act further determines that "...the head of an institution must through the education and training of its employees develop its human resource capacity to a level that enables it to perform its functions in an efficient, quality, collaborative and accountable manner" (RSA, 2014). For this purpose, section 11(2) of the Public Administration Management Act determines that the National School of Governance "...must, through education and training, promote the progressive realisation of the values and principles governing public administration and enhance the quality, extent and impact of the development of human resource capacity in institutions" (RSA, 2014).

To give effect to the Constitutional requirements, each department is responsible for formulating and implementing its own departmental strategy to ensure that the enacted laws and policies are put into practice (Department of Public Service and Administration, 2003:18). In this regard, Chapter 5 of the Treasury Regulations (no. 146 of 2007) requires an accounting officer to prepare a strategic plan for approval by the relevant executive authority. Strategic plans must also be submitted to Parliament at least ten days prior to the discussion of a department's budget vote (National Treasury, 2007).

Literature reviewed for the study identified several approaches to strategy implementation, such as the factors approach, the process approach and the leadership approach (Rajasekar, 2014; Li, Gouhui & Eppler, 2010; Kaplan & Norton, 2005). Because the study focuses on leadership, emphasis will be put on the leadership approach as it is linked to the objectives of this study.

3.1. The leadership approach to strategy implementation

The leadership approach to strategy implementation puts emphasis on the influence of leaders in the rollout of a strategy. Hrebiniak (2005) considers lack of coordination, procedures and guidelines as the main problems that lead to failure in strategy implementation. Kaplan and Norton (2005) suggest that this problem can be exacerbated by using strategy maps, which do not link strategy to implementation plans that enable better planning and organising. In addition to the organisational contextual variables, it is important to realise that the success of implementation depends on leadership (Čater & Pučko, 2010). In this respect, leadership is critical in translating a strategy into action. Specifically, senior management in the organisation are responsible for setting and giving direction to the organisation's strategy formulation, implementation, control, monitoring and evaluation processes, and, "ultimately, the successful transition from formulation to implementation depends on leadership" (Freedman & Tregoe, 2004:111).

Authors such as Blahová and Knápková (2011), Hrebiniak (2005), Beer and Eisenstat (2000) emphasise the need for leadership skills and determine in their studies that there is a mismatch between leadership styles and strategy implementation. These authors' studies further conclude that leadership styles are either top down or laissez-faire, and this has an impeding effect on strategy implementation. According to Wheelen and Hunger (2009), leadership styles have a considerable impact on strategy implementation, and leaders should therefore create a conducive environment for strategy implementation. The style of leadership is regarded as the main driver in strategy implementation (Wheelen & Hunger, 2009). This indicates that the leadership style of managers at the top has the potential to influence strategy implementation positively or negatively. The next section will discuss leadership styles and strategy implementation.

4. LEADERSHIP STYLES AND STRATEGY IMPLEMENTATION

Effective strategy implementation is dependent on the leadership style of senior management, especially with regard to the structure of the organisation, the powers of delegation, the making of decisions, and incentives and reward systems (Speculand, 2014). The style of leadership has the ability to create a conducive environment to support efforts towards the implementation of strategy (Azhar *et al.*, 2013).

The present research makes use of the Burns (1978) typology for leadership, because strategy implementation may rely on a transactional leadership style or may benefit from a transformational leadership style. In addition, the Burns (1978) typology is complemented with Bass's (1985) Full Range Leadership Model of transformational, transactional and laissez-faire leadership styles in strategy implementation. Bass (1985) suggests that transformational, transactional and laissez-faire leadership styles form a continuum. Transformational leadership is the most effective and active, laissez-faire leadership the least likely to produce the desired results, and transactional leadership is a combination of both (Hemsworth, Mutsera & Baregheh, 2013).

4.1. Transformational leadership

Transformational leadership involves inspiring followers by providing a sense of vision, mission and purpose (Wright, Moynihan & Pandey, 2012). As a result, the transformational leadership style serves as an agent of change to develop capabilities, provide direction, support followers, maximise resources and address challenges to bring about organisational effectiveness (Sadeghi & Pihie, 2013).

According to Jansen, Vera and Crossan (2009), the foundation for organisational performance lies in exploring existing competencies and exploiting new competencies. Senior management explicitly manages the balance of exploration and exploitation of competencies by bringing in new competencies to some units while utilising well-developed competencies in others.

Transformational leaders are well suited for exploring core competencies because they are willing to take risks and to challenge assumptions. Their ability to communicate effectively and to mobilise commitment to realise organisational goals enables them to promote the exploration of core competencies (Jansen *et al.*, 2009:7–9). Through idealised influence and inspirational motivation, transformational leaders are able to provide ideological explanations and will be able to link individual skills and capabilities to the required core competencies in the interest of the organisation's mission (Shamir, House & Arthur, 1993). By providing intellectual stimulation, transformational leaders are able to encourage exploratory thinking processes and “out-of-the-box” thinking. Leaders with transformational style behaviours recognise the importance of competencies, are able to identify them as their own and will try to explore core competencies throughout the organisation (Jansen *et al.*, 2009).

4.2. Transactional leadership

The transactional leadership theory assumes that motivation is dependent on punishment or reward. Employees have to follow and conform to instructions given by their managers, and self-motivation by employees is absent, so employees need to be observed, managed and monitored (Oberfield, 2012). According to Sadeghi and Pihie (2013), subordinates who accomplish the tasks given by the transactional leader will be rewarded, but if they go against the instructions of the leader, then they may receive punishment. This indicates an exchange process between the leader and subordinates to ensure performance towards the realisation of goals and standards (Sadeghi & Pihie, 2013). These leader-follower exchanges include three main features, namely contingent reward, active management by exception, and passive management by exception.

Contingent rewards involve mutually agreed upon goals that are linked to rewards with expectations explained, resources provided and available, and performance rewards and standards established (Oberfield, 2012; Alabduljader, 2012).

Active management by exception involves monitoring work and assessing performance, addressing discrepancies in respect of non-conformities to standards and rules, and taking corrective measures to rectify errors (Oberfield, 2012; Alabduljader, 2012).

Passive management by exception involves the intervention by transactional leaders where non-conformities are prevalent and performance is poor, and in which punishment could take place due to intolerable performance (Oberfield, 2012; Alabduljader, 2012).

Lowe, Kroeck and Sivasubramanian (1996) consider transactional leadership important for strategy implementation as it has a risk avoidance preference, gives attention to time constraints and efficiency, and maintains control through substantive work performance rather than through processes. Decisions made by senior managers of an organisation assist in the organisation's development as well as in leveraging its core competencies. Senior managers must also share the organisation's resources across business units through the exploitation of core competencies (Hamel & Prahalad, 1993; Jansen *et al.*, 2009).

Transactional leadership has the ability to exploit core competencies by encouraging employees to apply their capabilities to the organisation's structure, strategy, procedures and systems. However, Jansen *et al.* (2009) argue that exploring core competencies requires flexibility and opportunity, and that the exchange relationship between leader and subordinate could be problematic and detrimental to developing capabilities essential for exploring core competencies.

4.3. Laissez-faire leadership

The laissez-faire leadership style has been defined as encompassing “non-commitment, laziness, complacency, avoidance and abdication of responsibility” (Sarros & Santora, 2001). This type of leadership style is considered anarchic and as lacking leadership (Northouse, 2010). Leaders who practise this kind of leadership delay or do not make decisions when required, they are reluctant to give rewards, they make no effort to support the needs of their employees and employees are therefore not empowered or motivated under this style of leadership (Westerlaken & Woods, 2013). This leadership style commonly represents “non-leadership behaviour and such leaders are believed to be with no capacity to get involved or participate” (Sarros & Santora, 2001:389). It can be

concluded that this style of leadership will make no positive contribution to strategy implementation and may, in fact, affect it negatively.

5. RESEARCH DESIGN

The research was conducted in the dti and made use of a quantitative research approach. The population for this study was made up of all senior managers (168) in the dti. Senior managers were selected based on their roles and responsibilities in providing leadership during the strategic management processes in the public service as set out in the Public Service Handbook (Department of Public Service and Administration, 2003). The probability sampling strategy was used as basis to select the sample for the study. The sample size selected for this study was determined by using the Raosoft sample size calculator. The total population of all the senior managers in the dti was 168, which calculated a sample size of 116 senior managers to a confidence level of 95% and a 5% error margin.

Data were collected using a structured, closed-ended questionnaire. The questionnaire was administered electronically through Evasys Version 6.0, a web-based survey program for creating and distributing surveys. After obtaining the data, it was transferred to the Statistical Package for Social Science Software (SPSS) for statistical analysis. In order to ensure the reliability and validity of data, a structured questionnaire was compiled based on literature on the research topic. In addition, a pilot test was undertaken to determine the reliability and validity of the research instrument.

6. RESULTS

6.1. Demographic information.

The demographic data of respondents were determined in as far as gender, age and qualifications are concerned. Figure 1 below presents the gender of the respondents.

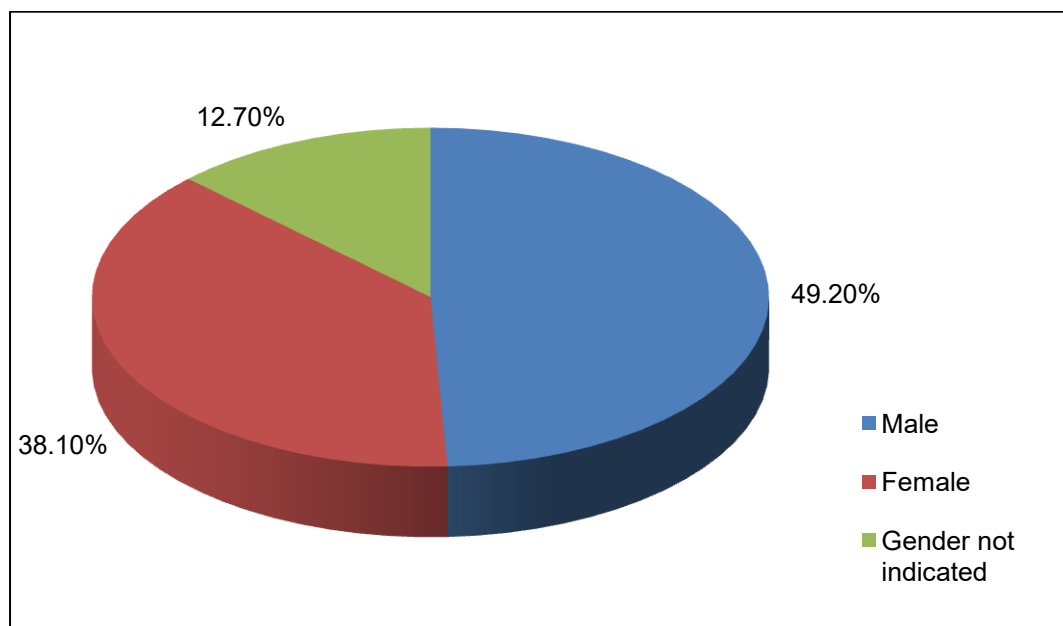


Figure 1: Gender of respondents

Of the respondents, 49.2% indicated that they are male and 38.1% that they are female. The missing value here is 12.7% who did not indicate any gender in the survey. Figure 2 indicates the age distribution of respondents.

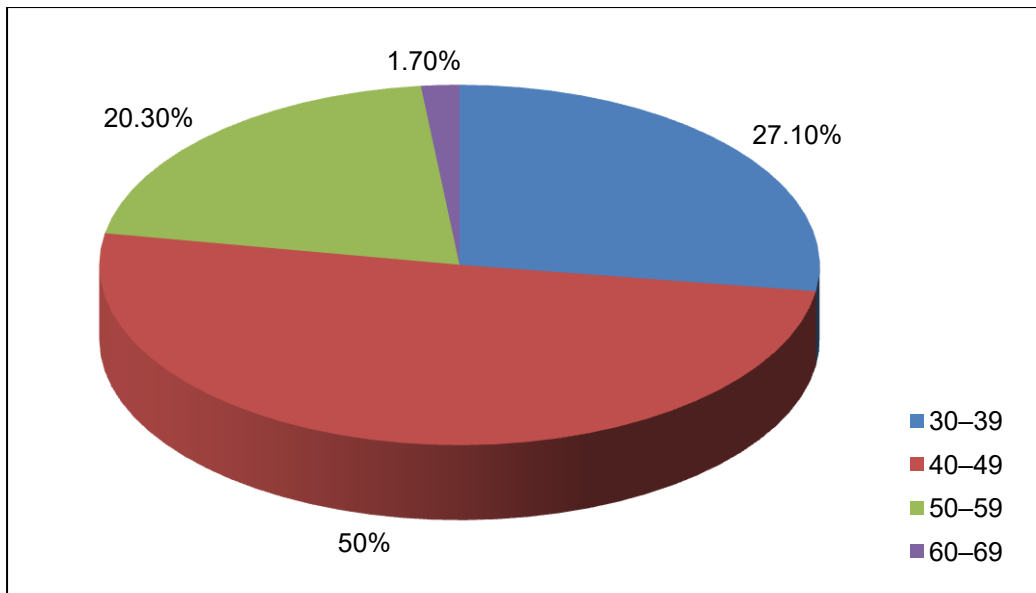


Figure 2: Age distribution

The majority of the respondents (50%) were between the ages of 40 and 49 years, followed by 27.1% who were between the ages of 30 and 39, 20.3% between the ages of 50 and 59 and 1.7% between the ages of 60 and 65. Figure 3 indicates the qualifications of the respondents.

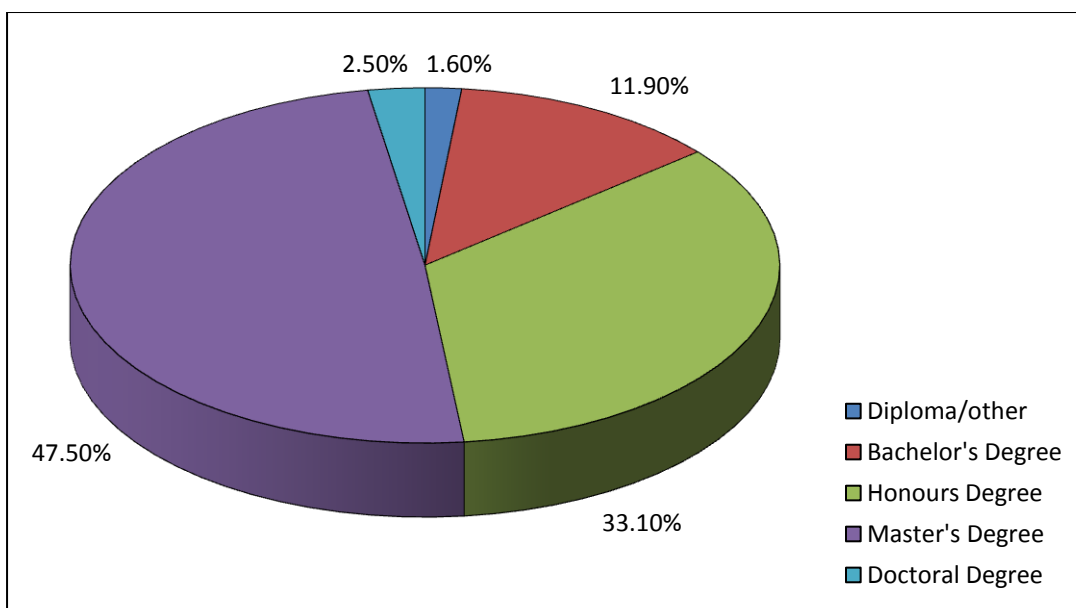


Figure 3: Qualifications

The majority of the respondents (47.5%) were in possession of a master's degree, 33.1% of an honours degree, 11.9% of a bachelor's degree and 2.5% of a doctoral degree, while 1.6% indicated that they were in possession of a diploma or other academic qualification.

6.2. Leadership styles

To assess which leadership style respondents apply, they were asked to rate a set of questions on a Likert scale ranging from 1 to 5 for each of the three leadership styles discussed in the literature, i.e. transformational leadership, transactional leadership and laissez-faire leadership. Tables 1, 2 and 3 present the percentages and weighted means of the responses for each of the questions about the different leadership styles. The weighted mean was calculated using the following formula:

$$\bar{x} = \frac{\sum_{i=1}^n (x_i \times w_i)}{\sum_{i=1}^n w_i}$$

where

Σ = the sum of

w_i = the weights (which, in this case, are the frequencies)

x_i = the values on the Likert scale

Any mean score above 3 indicates that the item is done fairly often to almost always.

6.2.1. Transformational leadership and strategy implementation

To assess if respondents practised transformational leadership and explore the core competencies of their subordinates, they were asked to rate questions on a Likert scale ranging from 1 to 5 and to respond with “not at all”, “once in a while”, “sometimes”, “fairly often” or “frequently, if not always”. Table 1 below provides the percentage responses of the Likert scale questionnaire as well as the weighted means of each question.

Table 1: Percentage and mean responses for transformational leadership

Question	Percentage of responses for each option on the Likert scale					Weighted mean of the responses
	1 – Not at all	2 – Once in a while	3 – Sometimes	4 – Fairly often	5 – Frequently, if not always	
I talk enthusiastically about what needs to be accomplished	0.8	1.7	10.2	35.6	51.7	4.36
I articulate a compelling vision of the future	2.5	1.7	22.9	45.8	27.1	3.93
I express confidence that goals will be achieved	0.8	5.9	14.4	44.1	34.7	4.06
I provide opportunities for employees to develop their core competencies	2.5	0.0	6.8	39.8	50.8	4.36
I nurture and motivate employees to develop their competencies	3.4	0.8	10.2	39.8	45.8	4.24
I encourage employees to be creative and innovative	3.4	0.8	14.4	32.2	49.2	4.23

It is evident from Table 1 that the weighted means for all questions are above 3, which indicates that respondents *fairly often* and *frequently, if not always*, make use of a transformational leadership style. Respondents rated “talk enthusiastically about what needs to be accomplished” (4.36) and “provide opportunities for employees to develop their core competencies” (4.36) as activities performed the most. This is followed by “nurture and motivate employees to develop their competencies” (4.24) and “encourage employees to be creative and innovative” (4.23). Respondents rated “I articulate a compelling vision of the future” (3.93) as the activity they perform the least, but it is still above the

weighted mean of 3 required for *fairly often to frequently, if not always*. Of concern, however, is the high percentage of respondents (22.9%) who indicated that they *sometimes* “articulate a compelling vision of the future” and not *frequently, if not always*. Likewise, 14.4% indicated that they “express confidence that goals will be achieved” *sometimes* instead of *frequently, if not always*. According to O’Connell, Hickerson and Pillutla (2011), strategy implementation in the public service is shaped by the creation of vision and the setting of goals, and leaders who display a transformational leadership style should inspire followers by providing a sense of vision, mission and purpose (Wright *et al.*, 2012).

6.2.2. Transactional leadership style and strategy implementation

The respondents were also asked a set of questions to determine to what extent they practised transactional leadership and exploited the core competencies of their subordinates. Table 2 below provides the percentage responses of the Likert scale questionnaire as well as the weighted means of each question.

Table 2: Percentage and mean responses for transactional leadership

Question	Percentage of responses for each option on the Likert scale					Weighted mean of the responses
	1 – Not at all	2 – Once in a while	3 – Sometimes	4 – Fairly often	5 – Frequently, if not always	
I focus attention on irregularities, mistakes, exceptions and deviations from standards	4.2	20.3	22.9	28.8	23.7	3.47
I concentrate my full attention on dealing with mistakes, complaints and failures	7.6	12.7	32.2	30.5	16.9	3.36
I keep track of all mistakes	15.3	28.0	27.1	16.1	13.6	2.85
I direct my attention toward failures to meet standards	9.3	23.7	22.9	32.2	11.9	3.14
I am able to identify core competencies and exploit them effectively	1.7	5.9	18.6	41.5	32.2	3.97
I leverage the skills, knowledge and capabilities of employees by sharing it across different business units in the division/business unit	5.1	4.2	28.8	28.8	33.1	3.81

Table 2 shows that the weighted mean for all questions except “I keep track of all mistakes” (2.85) is above 3, which indicates that respondents *fairly often to frequently, if not always* make use of a transactional leadership style. When the weighted scores are compared to those of the transformational leadership style, it is evident that respondents were more inclined to use the

transformational than the transactional leadership style. Table 2 further shows that respondents *fairly often* to *frequently, if not always*, “identify core competencies and exploit them effectively” (3.97) and “leverage the skills, knowledge and capabilities of employees by sharing it across different business units in the division/business unit” (3.81). Respondents confirmed that they “concentrate full attention on dealing with mistakes, complaints and failures” (3.36) and “direct attention toward failures to meet standards” (3.14). The findings confirm the reviewed literature, which indicates that transactional leaders exploit the core competencies of their subordinates by encouraging employees to apply their capabilities to the organisation’s structure, strategy, procedures and systems (Reddy, 2017:78).

6.2.3. Laissez-faire leadership style

To assess if respondents practised laissez-faire leadership, they were asked to rate questions that focus on the avoidance of making decisions and the delaying of responding to urgent questions. The percentage and mean responses are indicated in Table 3.

Table 3: Percentage and mean responses for laissez-faire leadership

Question	Percentage of responses for each option on the Likert scale					Weighted mean of the responses
	1 – Not at all	2 – Once in a while	3 – Sometimes	4 – Fairly often	5 – Frequently, if not always	
I avoid making decisions	80.5	11.9	5.9	0.8	0.8	1.30
I delay to respond to urgent questions	80.5	12.7	3.4	2.5	0.8	1.31

It is evident from Table 3 that respondents did not make use of a laissez-faire leadership style. For both questions asked, “avoid making decisions” (1.30) and “delay to respond to urgent questions” (1.31), the mean score is well below 3. Further analysis of the percentages indicates that for both questions, 80.5% of respondents indicated that they do not avoid making decisions or delay responding to urgent questions *at all*. In view of the negative effect that the laissez-faire leadership style has on strategy implementation, it is worth noting that respondents did not adopt this particular leadership style.

6.3. Obstacles to strategy implementation

To assess the obstacles that leaders experience during strategy implementation, participants were asked to rate questions on a Likert scale ranging from 1 to 5 and to respond with “not at all a problem”, “slight problem”, “neutral”, “some problems” or “a major problem”. The percentage and mean responses are indicated in Table 4. Any mean score above 3 indicates that senior managers believed the obstacle to be a problem in strategy implementation.

Table 4: Percentage and mean responses for problems in strategy implementation

Question	Percentage of responses for each option on the Likert scale					Weighted mean of the responses
	1 – Not at all a problem	2 – Slight problem	3 – Neutral	4 – Some problems	5 – A major problem	
Not having guidelines or a model to guide strategy	17.8	22.9	14.4	27.1	17.8	3.04

implementation efforts						
Trying to implement a strategy that conflicts with the existing power structure	11.0	15.3	17.8	27.1	28.8	3.47
Inability to generate “buy-in” or agreement on critical implementation steps or actions	9.3	16.9	16.9	34.7	22.0	3.43
Lack of top management support for strategy implementation	20.3	14.4	17.8	24.6	22.9	3.15
Lack of “ownership” of a strategy or implementation plans among key employees	11.9	22.0	16.1	29.7	20.3	3.25
Lack of incentives or inappropriate incentives to support implementation objectives	12.7	5.9	15.3	33.1	33.1	3.68
Poor or inadequate information sharing between individuals or business units responsible for strategy implementation	7.6	8.5	13.6	39.8	30.5	3.77
Unclear communication of responsibility and/or accountability for implementation decisions or actions	9.3	14.4	14.4	33.1	28.8	3.58
Lack of understanding of the role of organisational structure and design in the implementation process	10.2	19.5	18.6	35.6	16.1	3.28
Inability to manage change or to overcome internal resistance	5.9	21.2	10.2	30.5	32.2	3.62

Table 4 shows that the mean values for all the obstacles in the questionnaire are above three, which indicate that senior managers experience *some problems* and *major problems* with the identified obstacles to strategy implementation. The obstacle that respondents considered the biggest problem, according to the weighted scores, is “poor or inadequate information sharing between individuals or business units responsible for strategy implementation” (3.77). This is followed by “lack of incentives or inappropriate incentives to support implementation objectives” (3.68), an “inability to manage

change or to overcome internal resistance” (3.62), and “unclear communication of responsibility and/or accountability for implementation decisions or actions” (3.58). Respondents further indicated that “trying to implement a strategy that conflicts with the existing power structure” (3.47) and “inability to generate ‘buy-in’ or agreement on critical implementation steps or actions” are also obstacles they experienced. The findings confirm the reviewed literature, which indicates that strategy implementation is widely recognised as difficult to achieve and that a number of problems confront and hamper the implementation of strategy (Blahová & Knápková, 2011:61).

7. DISCUSSION

The findings of the study reveal that senior managers in the dti make use of a transformational leadership style and, to a lesser extent, of a transactional leadership style for strategy implementation. Senior managers do not make use of the laissez-faire leadership style. Leaders who adopt a transformational and transactional leadership style can have a positive influence on strategy implementation. However, senior managers who adopt a laissez-faire leadership style will have a negative effect on strategy implementation.

In as far as the transformational leadership style is concerned, the findings complement and support the literature on transformational leadership, indicating that positive organisational outcomes can arise from this leadership style. The literature indicates that a transformational leadership style serves as an agent of change to develop capabilities, provide direction, support followers, maximise resources and address challenges (Sadeghi & Pihie, 2013) to bring about organisational effectiveness.

The study further supports the literature indicating that a significant relationship exists between the transactional leadership style and strategy implementation through a culture of results and performance. The transactional leadership style assumes that motivation is dependent on punishment or reward, that employees have to follow and conform to instructions given by their managers and that self-motivation by employees is absent, with the result that employees need to be observed, managed and monitored (Oberfield, 2012).

The results of the study confirm an exchange process between the leader and subordinate to ensure performance towards the realisation of goals and standards (Sadeghi & Pihie, 2013). In the context of the public service, evidence of a transactional leadership style is mainly found in contractual agreements (like performance contracts and agreements) and subordinates seek ways to use established performance criteria and indicators to receive performance awards (Wright *et al.*, 2012).

Regarding the laissez-faire leadership style, this study concludes that senior managers who adopt a laissez-faire leadership style will negatively influence strategy implementation. This finding is consistent with the literature on the laissez-faire leadership style. Leaders who practise this kind of leadership style commonly represents “non-leadership behaviour and such leaders are believed to be with no capacity to get involved or participate” (Sarros & Santora, 2001:389), which will have a negative impact on strategy implementation.

The findings of the problems in strategy implementation showed a positive correlation with the findings in the literature. The most common and recurring problems identified include ineffective management of change, inadequate information sharing and lack of incentives to support implementation objectives. In addition, power and influence within the organisation, and the absence of a supportive implementation culture poses challenges to strategy implementation.

8. THE STUDY MAKES THE FOLLOWING RECOMMENDATIONS

The study identifies a lack of skills and capabilities as well as inadequate training and development as important factors that can impede strategy implementation. It is therefore important that managers in the dti should attend leadership programmes such as the ones presented by the National School of Government as well as other institutions of higher education. These programmes should form part of senior managers’ career development and should involve development of skills to achieve the required leadership style. This should be extended to fostering a practice of reflection and the development of self-awareness. Senior managers should also undergo psychometric evaluations to determine their current leadership styles in order to identify areas of improvement.

Senior managers in the dti should manage the core competencies of their subordinates to develop their full potential. This will require senior managers to identify those core competencies and to focus on the important areas for strategy implementation. This can be done by developing core competency scorecards tailored for each employee directed specifically towards strategy implementation, and by merging their core competencies with the government-wide monitoring and evaluation framework.

Overcoming and minimising the problems in strategy implementation will require senior managers to have a full understanding of those problems in order to provide leadership with the means to drive the strategy implementation process. This would portray a strong level of leadership commitment to the process, which may result in a level of acceptance from employees. Likewise, it is just as important to lead a change process to achieve successful strategy implementation. A change management process that is effectively led will allow the department to maintain high levels of service delivery and provide new services when required.

9. CONCLUSION

The findings in this study have revealed that transformational and transactional leadership have a positive influence on strategy implementation, while laissez-faire leadership has a negative influence on strategy implementation. In addition, transformational leadership has a positive influence on the exploration of core competencies, while transactional leadership has a positive influence on the exploitation of core competencies. This study has provided further clarity and an encouraging insight into the relationship between leadership styles and strategy implementation in the public service, with the potential to assist policymakers in developing an all-inclusive view of leadership styles and strategy implementation to address administrative changes. The study could contribute not only to the scholarly field of research but also to the realisation by senior managers and/or leaders in the public service that adopting transformational and transactional leadership styles is important for achieving successful strategy implementation.

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