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The Importance of Perceived Leadership Elements in Strategic Planning at Public University

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Abstract

Leader always play as an integral part in our daily life. No matter where on earth we are living the elements of leadership always exists in one's community. The purpose of this study is to investigate the importance of perceived leadership elements which is leadership decision making, leadership style, and leadership change flexibility. The study was done among the academic staff at one of public university in Malaysia. 150 questionnaires were administered among various levels of academic staff. Correlation analysis and regression analysis were perform, thus the result indicates that leadership decision making ($r=0.55$, $p=0.001$,) shows the highest of positive significant result toward strategic planning compared with other two variables. This research warrant more investigation upon strategic planning and other variables.

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Keywords: leadership, strategic planning, decision making, leadership style, leadership change flexibility.

1. Introduction

The need of strategic planning has become more crucial in recent fast pace environment. Moreover in today's business world, strategic planning has been put forth by most of the top management as an essential ingredient in organization to achieve its goal, objective, and also becomes a competitive advantage in order to survive. Top

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management plays pivotal role as a leader. According to Zacarro & Klimoski (2002), leadership is an important subject for almost many years in many fields especially in psychology. According to them, leadership was never a new concept as it has existed for more decades. Leadership has been plays a crucial part in organization in achieving its goal through a strategic planning towards increasing organizational performance (Zoogah, 2009; Phipps & Burbach, 2010). Moreover, leadership also acts as salient point in public sector in determining strategic performance and operating environment (McLeod, 2007). Previous researchers had mentioned how important leadership role in influencing organization climate, profitability, performance, strategic planning and sense of direction (McLeod, 2007; Holloway, 2012). However, there were lacks of studies that have been done in Malaysia according to this matter. Moreover according to Zaccaro & Klimoski, (2002), studies that have been conducted under the umbrella of leadership were disconnected and vague. It is supported by Ansari , Ahmad & Aafaqi (2004), leadership study continuously requires an expert in the organization. Therefore, it strengthens the part that this study is significant to be conducted. The main point of this study is to investigate the importance of leadership elements in strategic planning. This study seek the answers of leaderships elements in which is most had significant influence on strategic planning in a public university.

2. Literature Review

In general, understanding the word of strategic planning first is fundamental to know the word of planning. Planning is something that people do in their daily life consciously and unconsciously. Meanwhile, strategic planning is a planned activity that is focusing on success and improvement. Previous studies stated that strategic planning is as challenge, ongoing process, and mirror the vision and mission of organization (Ronchetti, 2006). Strategic planning has been seen as part that value for organization. Therefore, any factor that may affect strategic planning is important to study. According to The Foundation for Community and Research (2014), people need to work out together to confirm the positive result whereby the objective is met. It is supported by Pirtea, Nicolescu & Botoc (2009), mentioning that strategic planning is a way to define goals and objectives which then were implemented to evaluated individuals' goal. This has shown that strategic planning is crucial element in organization in determining goals and performance. In addition, there are various factors that can affect external and internal environment of an organization which is leadership decision making (Kay, Dunne & Hutchinson, 2009; Vroom, 2003), leadership style (Goleman, 2000; Jayasingam & cheng, 2009) and leadership change flexibility (Duren, 2012; Liu, Zhu & Yang 2010). External and internal environment is considered as part of strategic planning. According to Hannah, Baltazard, Waldman, Jennings & Thatcher (2013), leader has the ability to response on the critical environment which engages in dynamic social system thus making decision upon unpredictable situation both internal and external. Meanwhile, Vroom (2003) suggested that a situation does affect the decision making quality and team development. In addition, according to Furman (2012), current pressure of working style had force leader to augment every decision. Therefore, this concludes that leadership in decision making is an essential skill which needs to be applied in the organization. Strategic planning involves decision when it comes to any process. According to Snowden & Boone (2007), making a right decision is time consuming rather that making a simple decision. Decision shows it importance towards organization planning whereby it requires lots of time, and when it comes to the final decision especially involve capitals. Perhaps it is more concern when leaders are making the decision for organization in state of fast changing environment. Rather to risk the organization, better to take time. Therefore, this strengthens the value of leadership (decision making) in strategic planning. On the other hand, leadership styles also play a major role towards strategic planning. The definition of leadership styles have been varies by past literatures; however there is no agreement in putting it as uniformity (Goleman, 2000). Since then, theory of leadership has been altered through times. There is identified that characteristic portray the leader criteria, therefore personal issues must be considered. This is because; people always cloud their judgment when dealing with feelings. Therefore, as a leader, personal issues or matters should be put aside when trying to handle with organization problems. That part clearly shows that leaders must possess good characteristic and good personality. According to previous studies, Situational Leadership Theory by Hersey & Blanchard (1988) is important in giving the direction to the follower and providing emotional support that exist during attempting to reach organizational goal (Graeff, 1997). This shows that a good leader must identify the direction to achieve organizational goal. Karsten et al. (2009) mentioned that different style of leadership is use as a medium for planning. It also provides the notion

that leader’s personal matter could affect the strategic planning if they not manage their self well. In addition, charismatic and transformational character in leadership is to be said that it has significant relationship effectiveness (Amirul & Daud, 2012). Therefore, individual as leader is exactly significant towards strategic planning. Besides, leadership in change flexibility has reflects it pivotal role in strategic planning. According to Graetz (2000), leadership change helps to sustain agenda in an organization. It means that in organization, agenda works as strategic planning, and leadership change flexibility is the most suitable part in sustaining it. Change that involve person perspective especially leader is necessities for the success of organization (Gilley, Gilley & McMillan, 2009). Therefore, it is undeniable that leadership change flexibility has an influence towards strategic planning.

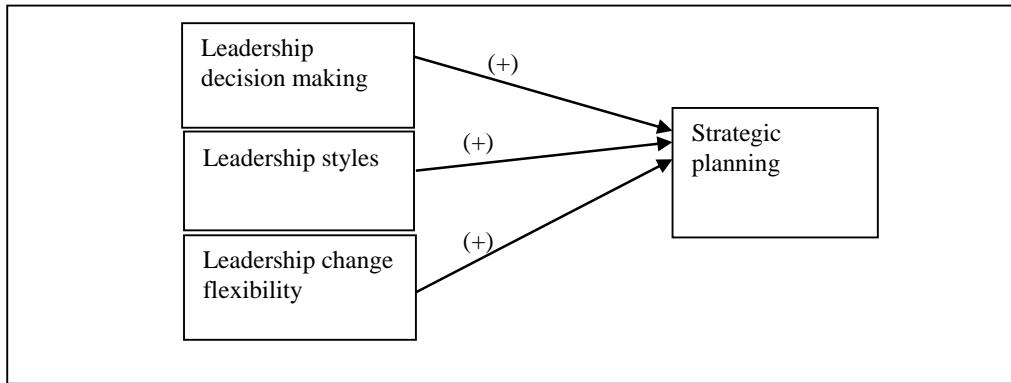


Figure 1: Proposed model of the study Perceived Leadership Elements and Strategic Planning

3. Methodology

This research applying a quantitative method and requires data collecting through survey questionnaires using likert-scale. Questionnaires were previously developed by past researchers; Leadership style questionnaires were derived from McLaurin & Al-Amri (2008) leadership decision making was adopted by Snowden & Boone (2007); leadership change flexibility from many past researchers (Eisenbach, Regina, Watson & Pillai, 1999). 150 academic staff in selected public university in northern region of Malaysia was selected in this study. Stratified samplings were adopted in this study in order to get more accurate result which reflects the population of the study.

4. Results

By using SPSS to run and analyzing the data, therefore the results of the study were interpreted in this segment. Demographic profile of respondent had shown 49.6% male and 50.4% female respectively. Pearson Correlations results had indicates that there is significant relationship of leadership elements (decision making, styles & change flexibility) towards strategic planning. Table 1 indicates the results. Meanwhile, descriptive statistic had shown the data that leadership decision making ($M=4.26, SD_{\pm}=0.57$) possess the highest ranking compared with other two whereby leadership style ($M=3.95, SD_{\pm}=0.62$) followed by leadership change flexibility ($M=3.81, SD_{\pm}=0.57$).

Table 1: Correlation Analysis of Leadership Elements and Strategic Planning.

• variables	• (y)	• (X1)	• (X2)	• (X3)
• (y) Strategic planning	• 1	•	•	•
• (X1) Leadership decision making	• 0.55	• 1	•	•
• (X2) Leadership style	• 0.39	•	• 1	•
• (X3) Leadership change flexibility	• 0.31	•	•	• 1

* significant at 0.001 level.

According to the above table leadership decision making ($p<0.001$, $r=0.55$) had shown highest correlation compared to leadership style ($p<0.001$, $r=0.39$) and leadership change flexibility ($p<0.001$, $r=0.31$). Leadership decision making is crucial for strategic planning in organization. This was supported by previous literature whereby decision making is an integral part of making ones success (Snow & Boone, 2007). In this context, academic staff had perceived that leader decision making is a pillar in public university in Malaysia in order to give the direction towards its employee. Meanwhile, leadership style does show second highest in the results. This is because academicians perceived that leadership style is pertinent in academic world. University is the place where learning takes place; people do research and generate ideas, training and education also for producing human resources. Therefore, it does make sense that perceived leadership style is important for academic staff and people working in the academic line to pursuit strategic planning. On the other hand, leadership change flexibility does show least result in this study. However, it does not portray that perceived leadership change flexibility is less important in academic world. As previous study mentioned that in any business or organization, change does always exist. Therefore, no matter in any line of work people involves, leadership change flexibility is fundamental in adapting the situation and in adopting strategic planning implementation. Therefore, this study does show that perceived leadership element is pertinent in strategic planning. Hence, this research proposed a concluding model of leadership elements and strategic planning in Figure 2.

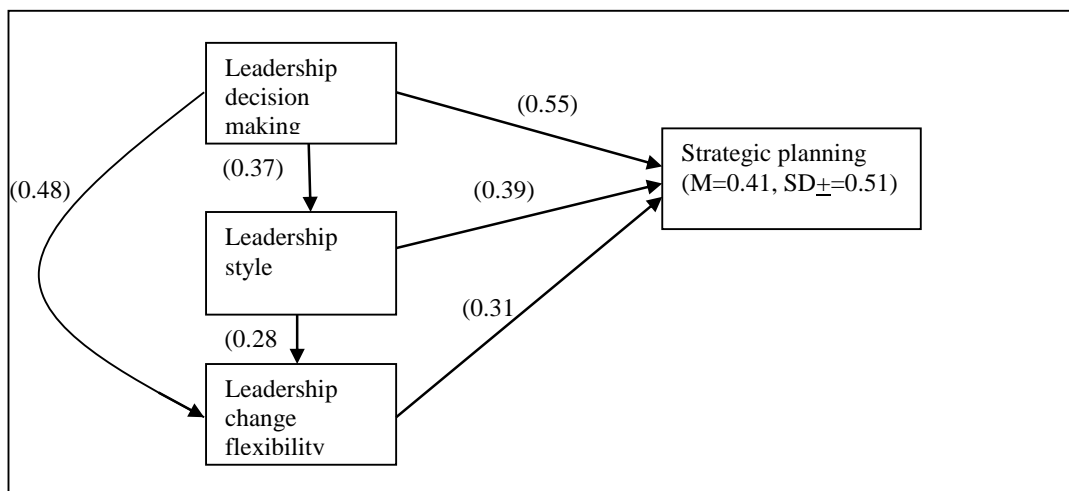


Figure 2: Concluding Model of Perceived leadership elements and strategic planning

According to Figure 2 there are interrelationship existed between the independent variables. The most significant result is that there is a relationship between leadership decision making towards leadership change flexibility ($p<0.001$, $r=0.48$). According to Graetz (2000) leadership decision making is very crucial in changing environment. Change environment requires flexibility whereby a leader needs a good decision making in confronting the fast changing environment (Duren, 2012). This represent that a leadership decision making has a correlation towards leadership change flexibility. This concludes that leadership decision making and leadership change flexibility are dual elements that compliment together in the fast changing environment. It is supported by Giley, Giley & McMillan (2009) whereby leadership skill is crucial towards organization success.

5. Conclusion

This research was done in order to investigate the influence of leadership elements in strategic planning in organization. The result of this study is significance for organization regardless any field to be used as guidelines.

This study proves that perceived leadership elements among academician, work as an integral part in organization. This study warrant a future research on leadership skills and other variables to be study on strategic planning in various type of organization. Change in organization is a common thing to happen (Kaminski, 2000). Therefore, leadership decision making, leadership style and leadership change flexibility is like a button that need to be push on to cater the fast, never ending of changing environment.

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