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Impact of strategic leadership on organizational performance, strategic orientation and operational strategy

Normy Rafida Abdul Rahman[a*], Mohd Zainul Fithri Othman[b], Mohd Shukri Ab Yajid[a], Siti Fatimah Abdul Rahman[c], Abdul Malek Yaakob[d], Ridzuan Masri[e], Suriana Ramli[a] and Zairina Ibrahim[f]

[a]*Faculty Business Management and Professional Studies, Management and Science University, Selangor, Malaysia*
[b]*Strategic Resource & Public Relations Division, Puncak Niaga Holdings Berhad, Selangor, Malaysia*
[c]*Faculty Computer Science and Mathematics, UiTM Perlis Branch, Perlis, Malaysia*
[d]*School of Quantitative Sciences, Universiti Utara Malaysia, Kedah, Malaysia*
[e]*School of Business and Law, International University of Malaya – Wales, Kuala Lumpur, Malaysia*
[f]*Information Technology and Innovation centre, Management and Science University, Selangor, Malaysia*

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A B S T R A C T

This paper focuses on the impact of strategic leadership on operational strategy and organizational performance of the automobile industry in Malaysia with a particular focus on Proton (Perusahaan Otomobil Malaysia). Since the mid-1980s a growing body of research on leadership has focused on strategic leadership, in contrast to managerial and visionary leadership. It has focused on how leaders make decisions in the short term that guarantees long-term viability of the organization. Senior leaders also have the ability to align human resources in an effective way directly to the business strategy. This article focuses on how national car manufacturer, Proton, exercises strategic leadership to influence its operational strategy and performance. It examines both dependent and independent variables that influence on strategic leadership with implications for future research.

1. Introduction

Strategic leadership can be defined as "the leader's ability to predict, and maintain flexibility and to empower others to create strategic change as necessary" (Hitt et al., 2012; Voelpel et al., 2006). It is multi-functional and relates to managing others as well as organizations in managing the challenges of today's globalized business environment. Strategic leadership also requires expertise in managing both internal and external business environment and engage in a complex information processing (Deeboonmee & Ariratana, 2014). Over the past 20 years, the field of strategic leadership has undergone many changes. Good business leaders are able to identify and overcome obstacles that exist at a practical level. Distinct elements describe a leadership environment in three levels: complexity, time horizons and focus (see Guillot, 2003). Leaders are required to be direct, general and strategic (Jacobs, 2006). Great leaders

* Corresponding author.
E-mail address: normy_rafida@msu.edu.my (N. R. A. Rahman)

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are judged as much by what they leave behind as much as by what they achieve during their tenure. A vibrant, vital organization that is fiercely competitive and driven to excel is, of course, an important legacy of a leader (Boal & Hooijberg, 2001). This means having in place a high-performing leadership team, a thinking organization and managers and employees at all levels passionately committed to accomplish tasks. At the direct level of leadership, communications focus exclusively on the internal audience in the organization. This is due to business leaders using maximum time at this level and they become comfortable and familiar with the environment (Guillot, 2003). However, at the operational level, there are different requirements. Performance requirements at the strategic level are the most challenging and the least familiar if viewed from the perspective of potential strategic leaders. Leaders need to improve their thinking as challenges abound, their performance requirements stringent (McCleskey, 2014). Therefore, it is vital to convince Proton's business leaders to use their integrative thinking to ensure best performance in their business.

This topic is an emerging field of study. There are studies concerning the impact of strategic leadership on the operational strategy and performance of business organisations in Malaysia. Literature review has revealed a gap that prompted the following research question: "What is the impact of strategic leadership in the operational strategy and performance of business organisations in Malaysia particularly in Proton"?

2. Literature Review

There have been similar studies conducted in the context of South Africa (Serfontein & Hough 2011). Although there are many studies on leadership in Malaysia, not many have focused on the automobile industry. Post et al. (2002) stated that skilled leaders are able to guide their employees to perform effectively and to provide high output. According to Carey et al. (2012), "Internally, a company is likely to suffer a crisis of morale, confidence and productivity among employees and similarly, stockholders may panic when a company is left riddles and worry about the safety and future of their investments. When a public company is left with a void in leadership, for whatever reason, the ripple effects are widely felt both within and outside the organization". Strategic leadership is the aptitude to operate successfully and deliver extraordinary performance (Deeboonmee & Ariratana, 2014; Khan et al., 2014; Zaman et al., 2011).

According to the resource-capability theory (Leiblein, 2011; Porter, 2005) organisations always gather particular abilities, resources, organizational habits and proficiencies. Renko and Vignali, (2010) noted a difference between competitive advantage based on strategic assets/resources and competitive advantage based on capabilities, since an organization's resources do not automatically guarantee its competitive advantage. Boal and Hooijberg (2001) point to the importance of managerial theories of leadership in explaining strategic leadership. Resources are seen as organization-specific properties that are hard to handover because the assets may contain tacit knowledge as an organization's strategic leadership competency. Swann and Brocklehurst (2004) argued that the resource-based model emphases on the subtleties of technological, marketing, organizational, good performance and managerial novelty towards strategic leadership.

2.1. Operational strategy and strategic orientation

Strategic orientation is a specific method to develop strategies. It is a method based on the analysis of strengths, weaknesses, opportunities and threats (SWOT). While operational excellence is a philosophy of the workplace where problem-solving, teamwork, and leadership results in the ongoing improvement of the organization (Coleman, 2010). The process involves focusing on customers' needs, keeping the employees positive and empowered, and continually improving performance in the workplace (Al-Ansaari et al., 2015). According to Atkinson (2006), organizational strategy must be aligned with the environment and at the same time it must have the ability to fit its strategy in order to compete, survive and perform in a competitive environment.

Organizational performance really depends on leadership role (Harrison, 2011). Performance is multidimensional and is related to the subject of interest (Li & Simerly, 1998). Traditionally, firm's performance is measured by financial success and profitability and as well as key variables such as return on assets (ROA), return on equity (ROE), return on sales (ROS), and return on investment (ROI) (Li & Simerly, 1998). Most organizations may appear to perform well in the short term due to favorable market conditions, for example, or they may have created a niche enough with a single product or market position, but that can change quickly when business conditions deteriorates or during economic instability.

3. Research methodology

3.1 Hypotheses

Based on literature review, the following are the research hypotheses:

H1: Strategic leadership is directly and positively associated with operational strategy.

H2*:* Strategic leadership is directly and positively associated with strategic orientation.

H3: Strategic leadership is directly and positively associated with organizational performance.

The purpose of this quantitative study is to examine the association of strategic leadership with operational strategy and organizational performance in the automobile industry in Malaysia with a particular focus on Proton.

3.2. Survey and sample

A survey was conducted to collect data and test the hypotheses. A pilot study was conducted to test the measuring instrument prior to the self-administered questionnaire survey. The results of the pilot study helped refine the questionnaires. 400 questionnaires were distributed to selected senior executives, chief executive officers and members of the senior executive group between April and August 2014.Their responsibilities in their organizations give them a unique and comprehensive view of strategic leadership activities. The performance of these organizations was measured by self-reported performance include: adaptive leadership, autonomy, communication, processes and systems, knowledge and values to ensure consistency in their performance. A total of 48 valid responses was received, or a response rate of 24 per cent.

3.3 Measurement instrument

A measurement instrument was adopted and adapted to measure the impact of strategic leadership on operational strategy, strategic orientation and organizational performance. The instrument was validated by Serfontein and Hough (2011) and used to measure:

Strategic leadership (independent variable)

- Action
- Coherence
- Discipline
- Strategic orientation (dependent variable)
- Strategy creation and formulation
- Strategic execution

Operational excellence (dependent variable)

- Cost management
- Product differentiation

- Integration

Organizational performance (dependent variable)

- Self-reported performance

An operational excellence can be seen as a particular type of cost-management positioning (Porter, 2005). Porter argued that organizations can only attain a competitive advantage and earn superior returns if they pursue a dedicated positioning strategy. Bowen and Wiersema (2005) noted that reducing defects in products and developing better products faster will allow a company to better utilize its inputs. According to Waruhiu (2014), the key factor for operational effectiveness in successful management of industry change is an effective integration of functional areas. According to Bowen and Wiersema (2005), strategy model is used to measure strategic orientation in the sample companies. Organizations were asked: 'To what extent do the following statements best describe your workplace's competitive strategy?'

Self-reported performance measures were used to measure organizational performance in this study. Organizations were asked to indicate their current level of performance for each of the six performance measures. These performance measurement include: adaptive leadership, autonomy, communication, processes and systems, knowledge and values.

3.4. Cronbach Alpha coefficients

The Cronbach Alpha coefficients were computed and used to evaluate the internal consistency of the measuring instrument on responses obtained from the pilot study. The estimated Cronbach Alpha coefficients for the independent variable of the strategic leadership constructs of action, coherence and discipline were 0.89, 0.88 and 0.83, respectively. The Cronbach alpha coefficients of the dependent variables of strategic orientation were 0.81 and 0.83, respectively. With regards to the dependent variable of operational excellence, the Cronbach Alphas were 0.86, 0.83 and 0.85. All the researched coefficients would appear to satisfy Cortina and Greenberg (2013) suggested minimum criterion for internal reliability.

Data was analyzed using SPSS version 20. Exploratory data analysis (EDA) was used to summarize the main characteristics of individual variables. Descriptive statistics was used to describe data set as well as means and standard deviations. Inferential statistics on the other hand were used to make inferences on the relationship between the constructs of strategic leadership and operational strategy as well as organizational performance.

4. Results and Findings

4.1 Respondent's profile

As seen in Table 1, the respondent profile shows three variables: age, gender and level of education. The mean age of the overall 48 respondents is 33.08 with a standard deviation of 4.73. The sample consists of 25 males and 23 females accounting for with 52% and 48% of respondents respectively). Seven (15%) respondents have a PhD, 16 (33%) and 25 (52%) of respondents have a Master's and an undergraduate degree respectively.

Table 1
Respondent Profile

No.	Variable	Proton (n=48) Mean (SD)	n (%)
1	Age (years)	33.08 (4.73)	-
2	Gender	-	
	• Male		25 (52)
	• Female		23 (48)
3	Educational Level	-	
	• Degree		25 (52)
	• Master		16 (33)
	• PhD		7 (15)

*Mean & Standard Deviation

4.2 Corporate characteristics

The corporate characteristics show number of employees and annual turnover. The number of employees in Proton is approximately 12000 and it has an annual turnover of about 1.4 trillion as of 31st march 2014 (Proton annual report 2014).

4.3 Descriptive analysis of the dimensions

All dimensions of data were analyzed using descriptive analysis as part of the exploratory approach. A respondent profile is shown in Table 2, showing mean, standard deviation and Cronbach Alpha. The respondents answered all the questions related to strategic leadership, operational strategy and organizational performance. All the questions were measured on a five-point Likert scale. The mean of strategic leadership (action, coherence and discipline) constructs was calculated from the operational strategy, strategic orientation and organizational performance constructs. The standard deviation shows how the observations are spread around the mean. All the Cronbach's alpha coefficient for all dimensions were acceptable, since it is above the threshold of 0.5 for exploratory research (Cortina, & Greenberg, 2013).

Table 2
Descriptive statistic: the mean scores and Cronbach's alpha of the constructs N= 49

No.	Variable	Overall Mean (SD) n=49	Cronbach's alpha
1.	**Strategic Leadership**		
	Action	15.63 (2.07)	0.887
	Coherence	19.51 (2.19)	0.876
	Discipline	11.42 (1.62)	0.827
2.	**Organization Performance**		
	Adaptive leadership	11.32 (1.64)	0.809
	Autonomy	11.49 (1.56)	0.785
	Communication	11.64 (1.59)	0.798
	Knowledge	11.71 (1.39)	0.788
	Process & System	14.52 (2.06)	0.848
	Values	11.59 (1.54)	0.812
3.	**Operational Excellence**		
	Cost Management	11.54 (1.45)	0.856
	Product Differentiation	15.63 (1.83)	0.826
	Integration	15.01 (2.04)	0.848
4.	**Strategic Orientation**		
	Creation & formulation of the strategy	11.51(1.64)	0.811
	Execution of the strategy	11.61 (1.56)	0.828

4.4 Comparative analysis

In this section, correlations among certain variables were calculated and the p-values were used to determine whether the differences among the constructs were significant. The focus is on the following specific dimensions:

- Strategic leadership and operational strategy
- Strategic leadership and strategy orientation
- Strategic leadership and organizational performance

Fig. 1 illustrates the influence of strategic leadership re-conceptualized as three interrelated constructs of action, coherence and discipline as exogenous constructs (Serfontein & Hough, 2011:223-225).

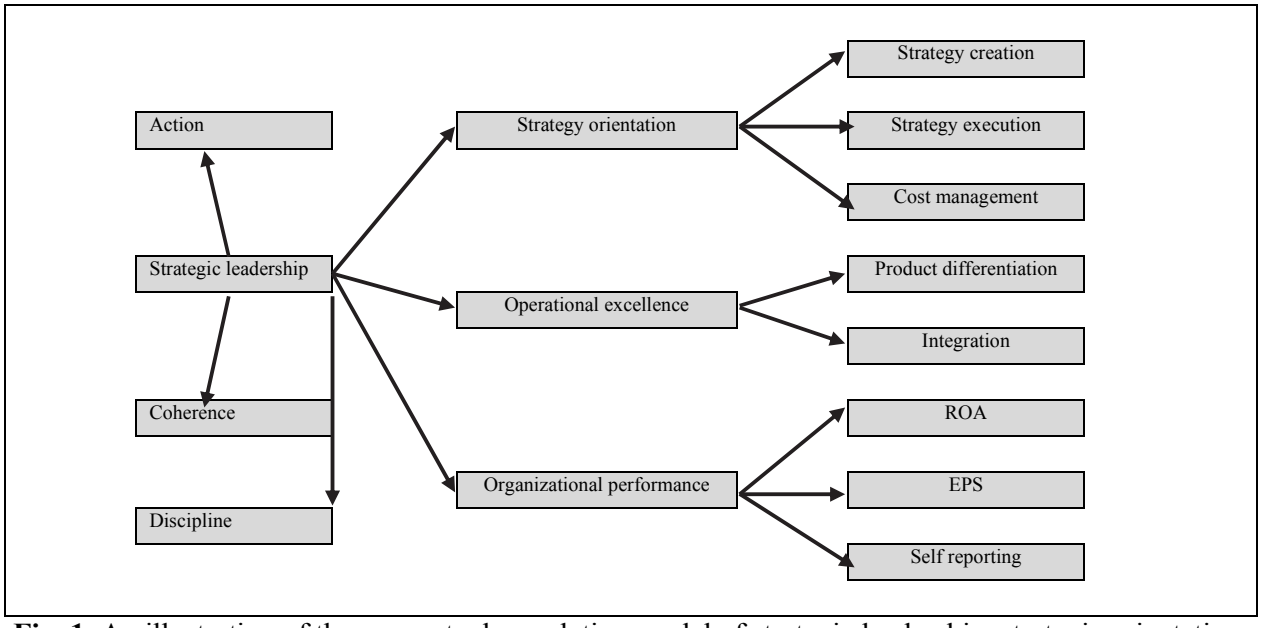

Fig. 1. An illustration of the conceptual correlation model of strategic leadership, strategic orientation, operational excellence and organizational performance

Endogenous constructs of strategic orientation, operational excellence and organizational performance are also displayed. Strategic orientation is measured by the capability to create a strategy as well as to execute the strategy effectively. Operational excellence is measured by cost management, integration and product differentiation. Organizational performance is measured by EPS and ROA and self-reported measurements. This study shows that strategic leadership has an impact on operational strategy and performance of business organizations.

4.5 The influence of strategic leadership on operational strategy

The three constructs of strategic leadership (action, coherence and discipline) are tested for their influence on strategic orientation and its dimensions. These relationships were inspected by means of correlation analysis as well as regression analysis.

The results of the correlation analysis are shown in Table 3. The Pearson correlation coefficients and regression (ρ) and p-values of the separated dimensions of strategic orientation are shown with the strategic leadership constructs. Cohen (1983) commented that a correlation below than 0.29 indicated a weak positive correlation and more than 0.5 a strong positive correlation (see also Field et al., 2013).

Table 3
A summary of the correlation of strategic leadership on the operational strategy, organizational performance and strategic orientation in PROTON (n=48)

No.	Strategic Leadership	DV	R	P value
1.	Action	**Organizational Performance**		
		• Adaptive leadership	0.80	<0.001
		• Communication	0.70	< 0.001
		• Autonomy	0.79	< 0.001
		• Knowledge	0.72	< 0.001
		• Process & System	0.46	0.001
		• Values	0.89	< 0.001
		Operational Excellence		
		• Cost Management	0.85	< 0.001
		• Product Differentiation	0.72	< 0.001
		• Integration	0.04**	0.81
		Strategic Orientation		
		• Creation & formulation of the strategy	0.50	< 0.001
		• Execution of the strategy	0.57	<0.001
2.	Discipline	**Organizational Performance**		
		• Adaptive leadership	0.87	<0.001
		• Communication	0.67	< 0.001
		• Autonomy	0.67	< 0.001
		• Knowledge	0.73	< 0.001
		• Process & System	0.41	0.003
		• Values	0.77	< 0.001
		Operational Excellence		
		• Cost Management	0.78	< 0.001
		• Product Differentiation	0.73	< 0.001
		• Integration	0.03	0.817
		Strategic Orientation		
		• Creation & formulation of the strategy	0.51	< 0.001
		• Execution of the strategy	0.59	<0.001
3.	Coherence	**Organizational Performance**		
		• Adaptive leadership	0.75	<0.001
		• Communication	0.61	< 0.001
		• Autonomy	0.69	< 0.001
		• Knowledge	0.55	< 0.001
		• Process & System	0.51	0.003
		• Values	0.71	< 0.001
		Operational Excellence		
		• Cost Management	0.64	< 0.001
		• Product Differentiation	0.58	< 0.001
		• Integration	0.10**	0.489
		Strategic Orientation		
		• Creation & formulation of the strategy	0.64	< 0.001
		• Execution of the strategy	0.56	<0.001

** = weak relationship

Table 4
Effect of Strategic Leadership on strategic leadership on the operational strategy, organisational performance and strategic orientation in Proton (n=48)

No.	Strategic Leadership	DV	r^2	b (95% C. I)	t statistic	p value
1.	Action	**Organizational performance**				
		• Adaptive leadership	0.64	0.62 (0.48, 0.75)	8.9	<0.001
		• Communication	0.47	0.53 (0.37, 0.70)	6.4	<0.001
		• Autonomy	0.62	0.57 (0.44, 0.70)	8.6	<0.001
		• Knowledge	0.52	0.44 (0.31, 0.56)	7.1	<0.001
		• Process & System	0.21	0.45 (0.19, 0.71)	3.5	0.001
		• Values	0.8	0.64 (0.55, 0.74)	13.4	<0.001
		Operational Excellence				
		• Cost Management	0.72	0.69 (0.56, 0.81)	10.8	<0.001
		• Product Differentiation	0.52	0.6 (0.43, 0.77)	7	<0.001
		• Integration	0.001**	0.04 (-0.29, 0.33)	0.25	0.81
		Strategic orientation				
		• Creation & formulation of the strategy	0.25	0.43 (0.21, 0.65)	3.9	<0.001
		• Execution of the strategy	0.32	0.43 (0.24, 0.61)	4.7	<0.001
2.	Discipline	**Organizational performance**				
		• Adaptive leadership	0.76	0.56 (0.46, 0.65)	12	<0.001
		• Communication	0.44	0.43 (0.29, 0.57)	6	<0.001
		• Autonomy	0.45	0.41 (0.27, 0.54)	6.1	<0.001
		• Knowledge	0.53	0.37 (0.26, 0.47)	7.2	<0.001
		• Process & System	0.17**	0.34 (0.12, 0.56)	3.1	0.003
		• Values	0.59	0.46 (0.35, 0.57)	8.2	<0.001
		Operational Excellence				
		• Cost Management	0.61	0.52 (0.40, 0.65)	8.5	<0.001
		• Product Differentiation	0.53	0.50 (0.36, 0.64)	7.2	<0.001
		• Integration	0.001**	0.03 (-0.22, 0.27)	0.23	0.82
		Strategic orientation				
		• Creation & formulation of the strategy	0.26	0.36 (0.18, 0.54)	4	<0.001
		• Execution of the strategy	0.34	0.37 (0.22, 0.52)	5	<0.001
3.	Coherence	**Organizational performance**				
		• Adaptive leadership	0.56	0.71 (0.53, 0.90)	7.6	<0.001
		• Communication	0.38	0.59 (0.36, 0.81)	5.3	<0.001
		• Autonomy	0.47	0.62 (0.43, 0.82)	6.4	<0.001
		• Knowledge	0.30	0.41 (0.23, 0.60)	4.5	<0.001
		• Process & System	0.26	0.62 (0.31, 0.93)	4	<0.001
		• Values	0.50	0.63 (0.44, 0.82)	6.8	<0.001
		Operational Excellence				
		• Cost Management	0.41	0.64 (0.41, 0.87)	5.6	<0.001
		• Product Differentiation	0.34	0.60 (0.35, 0.85)	4.9	<0.001
		• Integration	0.01**	0.13 (-0.24, 0.49)	0.69	0.49
		Strategic orientation				
		• Creation & formulation of the strategy	0.41	0.68 (0.43, 0.92)	5.6	<0.001
		• Execution of the strategy	0.32	0.53 (0.29, 0.75)	4.6	<0.001

**** weak relationship**

Data from the study shows a strong positive relationship between action, discipline and coherence versus the execution of strategy ($r = 0.57$; $p = <0.05$; $r = 0.59$; $p = <0.05$; $r = 0.56$; $p = <0.05$). Regression analysis also indicates the same relationship ($r^2 = 0.32$; $p = <0.05$; $r^2 = 0.34$; $p = <0.05$; $r^2 = 0.32$; $p = <0.05$).

This study thus has confirmed that there is a strong, positive relationship between action, discipline and coherence in the execution of strategy.

H1: Strategic leadership is directly and positively associated with operational strategy.
H2*:* Strategic leadership is directly and positively associated with strategic orientation.
H3: Strategic leadership is directly and positively associated with organizational performance

The third hypothesis is that strategic leadership (action, coherence and discipline) is directly and positively associated with organizational performance. Therefore, strategic leadership must have a positive effect on organizational performance and its dimensions. These relationships were inspected in this study by regression analysis and Pearson correlation coefficient.

The results of the correlation analysis on the relationship between strategic leadership and organizational performance are shown in Table 4. The Pearson correlation coefficients and p-values of the separated dimensions of organizational performance are shown with the strategic leadership constructs. Cohen and Cohen (1993), remarked that a correlation of 0.1 to 0.29 indicated a weak positive correlation, 0.3 to 0.49 indicated a moderate positive correlation and > 0.5 a strong positive correlation. Thus, there is strong relationship between strategic leadership and organizational performance

The first hypothesis is there is a relationship between strategic leadership and operational strategy. The result clearly indicated that strategic leadership is correlated with operational excellence. From Table 4, correlation analysis as well as regression analysis show that strategic leadership is weakly connected to the integration, (i.e. r= 0.04, p = > 0.05; r^2 = 0.001, p = 0.05); strategic leadership is positively associated as a whole, but weakly associated with action and integration (H2- Accepted)

The second hypothesis indicates there is a relationship between strategic leadership and strategic orientation. The results from Table 3 clearly indicate that strategic leadership is strongly correlated to operational excellence. But based on Table 4, regression analysis shows that strategic leadership is moderately connected to strategic orientation (action and discipline versus creation and formulation; r^2 = 0.25; p = <0.05, r^2 = 0.26; p = <0.05, action, discipline and coherence versus the execution of strategy; r^2 = 0.32; p = <0.05, r^2= 0.34; p = <0.05, r^2= 0.32; p = <0.05). Thus, overall, strategic leadership is positively correlated among variables, but moderately associated in regression analysis.

Based on these findings, the Null hypothesis is rejected. This study has confirmed that strategic leadership is directly and positively associated with operational strategy, strategic orientation and organizational performance in the case study Proton.

Table 5
The effect of gender on scores in Proton (n=48)

No.	Variable	Gender Male (n=23) Mean (sd)	Female (n=25) Mean (sd)	t (df)	Mean difference (95% C. I)	P value[1]
1.	**Strategic Leadership**					
	a Action	15.04 (1.86)	15.48 (2.23)	0.74 (46)	0.44 (-0.75, 1.63)	0.462
	b Coherence	11.08 (1.55)	11.78 (1.70)	1.46 (46)	0.70 (-0.24, 1.65)	0.142
	c Discipline	18.88 (2.24)	19.74 (2.65)	1.21 (46)	0.86 (-0.56, 2.28)	0.230
2.	**Organizational Performance**					
	a. Adaptive leadership	11.44 (1.61)	11.56 (1.56)	0.27 (46)	0.13 (-0.80, 1.05)	0.786
	b. Communication	11.32 (1.77)	11.49 (1.38)	0.34 (46)	0.16 (-0.77, 1.09)	0.733
	c. Autonomy	11.40 (1.38)	11.48 (1.62)	0.18 (46)	0.78 (-0.80, 0.95)	0.858
	d. Knowledge	11.56 (1.26)	11.91 (1.20)	0.99 (46)	0.35 (-0.36, 1.07)	0.327
	e. Process & system	14.44 (2.06)	14.87 (1.96)	0.74 (46)	0.43 (-0.74. 1.60)	0.464
	f. Values	11.20 (1.47)	11.48 (1.47)	0.65 (46)	0.28 (-0.58, 1.13)	0.516
3.	**Operational Excellence**					
	a. Cost management	11.32 (1.38)	11.43 (1.93)	0.24 (46)	0.11 (-0.85, 1.08)	0.812
	b. Product differentiation	15.80 (1.73)	15.96 (1.69)	0.32 (46)	0.16 (-0.84, 1.15)	0.753
	c. Integration	14.88 (2.01)	15.13 (2.07)	0.43 (46)	0.25 (-0.94, 1.44)	0.673
4.	**Strategic Orientation**					
	a. Creation and formulation of strategy	11.20 (1.80)	11.78 (1.68)	1.16 (46)	0.58 (-0.43, 1.60)	0.254
	b. Execution of strategy	11.56 (1.45)	11.74 (1.66)	0.40 (46)	0.18 (-0.72, 1.08)	0.691

1 Independent ample T-test.
2 significant at <0.05.

3 *Note*. This is where author provide extra information important to the data

Based on Table 5, Mean (SD) of gender for Proton is between 11.08 (1.55) and 19.74 (2.65) and all the 95% CI cross “0” and p-value is more than 0.05. This study confirmed the gender characteristics in Proton, but irrespective of whether the employees are male or female, it does not have any impact on the domains.

Table 6
Correlation between age to strategic leadership, operational strategy, strategic orientation, organisational performance for Proton (n=48)

No	Variable	r**	P value
1.	**Strategic Leadership**		
	a. Action	-0.111	0.455
	b. Coherence	-0.029	0.844
	c. Discipline	-0.079	0.593
2.	**Organizational performance**		
	a. Adaptive leadership	-0.138	0.351
	b. Communication	-0.258	0.077
	c. Autonomy	-0.157	0.287
	d. Knowledge	-0.076	0.606
	e. Process & system	0.039	0.792
	f. Values	-0.179	0.222
3.	**Operational Excellence**		
	a. Cost management	-0.122	0.410
	b. Product differentiation	-0.129	0.383
	c. Integration	0.058	0.696
4.	**Strategic Orientation**		
	a. Creation and formulation of strategy	-0.172	0.242
	b. Execution of strategy	-0.107	0.468

*Pearson Correlation
** r = Correlation Coefficient
****Note*. This is where author provide extra information important to the data

Based on Table 6, there is no correlation between age in all the domains (r= < 0.29; p-value is > 0.05). This study confirms that age of the employee does not have any impact on the domains.

Table 7
The mean score different of education level in Proton n=48

No.	Domain	Education Mean (sd) PhD (n=7)	Master (n=16)	Degree (n=25)	F (df)	P value[1]
1.	**Strategic Leadership**					
	a. Action	16.00 (1.91)	15.44 (2.31)	14.92 (1.89)	0.87 (2, 45)	0.43
	b. Coherence	12.29 (1.25)	11.75 (1.88)	10.96 (1.49)	2.39 (2, 45)	0.10
	c. Discipline	20.43 (2.07)	19.88 (2.39)	18.60 (2.47)	2.31 (2, 45)	0.11
2.	**Organizational Performance**					
	a. Adaptive leadership	12.00 (1.15)	11.75 (1.65)	11.20 (1.61)	1.01 (2, 45)	0.37
	b. Communication	11.43 (1.99)	11.81 (1.11)	11.12 (1.72)	0.94 (2, 45)	0.40
	c. Autonomy	11.71 (1.60)	11.75 (1.39)	11.16 (1.52)	0.91 (2, 45)	0.41
	d. Knowledge	12.43 (1.51)	11.88 (1.20)	11.44 (1.12)	2.00 (2, 45)	0.15
	e. Process & system	15.00 (1.73)	15.13 (1.93)	14.24 (2.11)	1.08 (2, 45)	0.35
	f. Values	11.71 (1.60)	11.50 (1.55)	11.12 (1.39)	0.60 (2, 45)	0.56
3.	**Operational Excellence**					
	a. Cost management	12.00 (1.73)	11.63 (1.71)	11.04 (1.57)	1.22 (2, 45)	0.31
	b. Product differentiation	16.14 (1.35)	16.38 (1.86)	15.48 (1.64)	1.49 (2, 45)	0.24
	c. Integration	14.14 (1.86)	15.38 (1.26)	15.00 (2.42)	0.90 (2, 45)	0.41
4.	**Strategic Orientation**					
	a. Creation and formulation of strategy	12.14 (2.19)	11.75 (1.61)	11.12 (1.69)	0.12 (2, 45)	0.30
	b. Execution of strategy	12.00 (1.83)	11.69 (1.40)	11.52 (1.58)	0.27 (2, 45)	0.77

1 one way ANOVA.
2 significant at 0.05. Post hoc analysis using bonforoni procedure showed that the master and degree holder have a higher mean score compared to bachelor degree holder.
3 Note. This is where author provide extra information important to the data

Based on Table 7, the alternative hypothesis is rejected, since all the P-values are not significant (> 0.05). This study confirmed irrespective of whether the employees have a degree, master and PhD, it does not have any impact on the domains.

5. Summary and conclusion

This study has contributed to literature by revealing a direct and positive relationship between strategic leadership operational excellence, strategic orientation and business performance. Thus, executives and business leaders in Proton have good strategic leadership practices tithe company's strategic orientation and operational excellence. This study has proposed that strategic competitiveness would give companies an advantage to survive in an uncertain and turbulent era by formulating and executing their strategies successfully. It is also suggested that if organizations focus more on a product differentiation and integration of their people, they will perform well and yield above-average returns (Serfontein & Hough, 2011).

It is strongly recommended that future researchers examine the impact of strategic leadership in the operational strategy and performance in different business sectors, as well as in public organizations, in order to have an all-inclusive view of the impact of strategic leadership in the performance of business organizations in Malaysia.

End of 21st century's will be filled with competitive opportunities, threats and challenges for the countries. In Malaysia, this study proclaims that effective strategic leadership practices could help organizations boost their performance while competing effectively in an unpredicted and turbulent environment.

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