EFFECTIVE LEADERSHIP COMMUNICATION AS A KEY ROLE IN THE ACHIEVEMENT OF STRATEGIC ALIGNMENT

by

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__________________________
Signed

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Date
Communicating for strategic alignment requires senior executives to be communicating leaders. This statement is evident when one reads of senior executives admitting that it is not the lack of strategy that occupies their minds, but rather their organisation’s ability to execute a strategy. The pertinent issue is therefore the ability of leaders to communicate in such a way that followers can answer the following questions:

Do we know where our organisation is now in relation to its strategic direction and where is it heading? Do we understand how the roles we play contribute to the bigger picture? Do we know what the challenges and opportunities are on the way ahead and how we plan to deal with them? Do we understand how our actions contribute to achieving the organisation’s goals and in turn impact on the success of the organisation?

These are some of the questions that are asked when leaders and followers seek strategic business alignment in their organisations. This debate is supported by authors who state that strategic communication can help to overcome the barrier of poor alignment and poor performance. The literature review revealed strong evidence that organisations require leadership commitment to create the ‘line of sight’ through effective leadership communication, exemplary leadership behaviour, and having the right people in the right place for strategy development, execution and measurement to ensure that organisations are successful in an ever-changing business environment.

The study therefore focused on what the role of leadership communication is to ensure that employees understand the ‘bigger picture’ for the organisation and what they and leadership need to do to execute the strategy successfully and achieve the goals of the organisation. It aimed to understand the perceptions and expectations of employees in terms of the role of leadership communication as an enabler of strategic alignment.

The study investigated, through a case study involving senior, middle and junior managers within a Johannesburg Stock Exchange (JSE)-listed company in the fast-moving consumer goods (FMCG) industry, the respondents’ perceptions of the current effectiveness of leadership communication behaviour and patterns and their
perceptions of the *importance* of elements of leadership communication behaviour for the success of strategic alignment in the organisation. The gaps between respondents’ perceptions of the effectiveness of leadership communication behaviour and their perceptions of the relative importance of such leadership communication behaviour for the success of strategic alignment in the organisation were also measured and analysed.

The measurement was conducted through two five-point Likert scales applied to the same set of Likert items where the highest and lowest scores were assigned to the variables by the respondents in terms of the importance and effectiveness of the role of leadership communication and strategic alignment.

The results revealed that employees rated commitment to the organisation and its values, strategic alignment in terms of employees knowing how their division fits into the bigger picture of the organisation, what their role is in the success of the organisation, knowledge of the future plans of the organisation and that their work goals are clearly defined as important for the organisation to achieve its objectives. Pride in the organisation, and positive personal association with the organisation, were truly great characteristics of this organisation and these can be built on to enhance the strategic alignment of employees to the benefit of both the employee and the organisation.

The findings also revealed gaps such as a lack of shared strategic direction, a need for open and honest communication through employee engagement, role clarification, and cultivating an environment for team solutions and collaboration, as well as a stronger alignment between rewards and performance.

The study served as a base-line study and is valuable to the organisation as it provides a good foundation for the development of a strategic leadership communication plan and employee engagement strategy aimed at strengthening strategic alignment, and which can impact positively on the performance of the organisation.
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DEDICATION

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1.1 Introduction and background

Are we all on the same page? Do we know where our organisation is now in relation to its strategic direction and where is it heading? Do we understand how the roles we play contribute to the bigger picture? Do we know what the challenges and opportunities are on the way ahead and how we plan to deal with them? Do we understand how our actions contribute to achieving the organisation’s goals and in turn impact on the success of the organisation?

These are some of the questions that are asked when leaders and followers seek strategic business alignment in their organisations. The study therefore focuses on what the role of leadership communication is to ensure that employees know the direction of the organisation and that they understand what needs to be done to achieve the goals of the organisation, therefore establishing and enabling strategic alignment. It aims to understand the perceptions and expectations of employees in terms of the role of leadership communication as an enabler of strategic alignment. It also aims to investigate the role strategic alignment plays in achieving organisational excellence.

The intention of the study is to investigate such perceptions and expectations through a case study involving senior, middle and junior managers of a selected organisation.

1.2 Definitions of key terms

A ‘Communicating leader’ can be described as a leader or manager within an organisation who has the ability to communicate effectively with their followers to ensure they understand the organisation’s strategic goals and intent and are committed to achieving it.

1.3 Strategic alignment and organisational excellence

Puth (2002:198) points out that alignment means that behaviour throughout the organisation is directed toward the achievement of shared goals. He further states that it is the challenge of the communicating leaders to give their followers a clear view of the organisation’s strategic line – its strategic direction and intent – that would
enable them to align every decision and action to the desired outcomes of the organisation.

The author draws a clear line between knowing the big picture and having ‘line of sight’ leads to collective goal directed actions which can lead to organisational success.

The relationship between strategic alignment and organisational performance is also supported by a meta-analysis study by Cao et al. (2012:567), where they have found that many executives view alignment between business and functional level strategies as a tool that can assist with building competitive advantage for organisations.

Gratton (2000:3-4) supports the relationship between strategic alignment and organisational performance for a sustainable competitive advantage through aligning the human resource strategy and the business strategy with people at the very core of the corporations.

Gratton (2000:3) says that the new sources of sustainable competitive advantage comprise the ability to provide meaning and purpose, a context and frame that encourage individual potential to flourish and grow, which can impact positively on the performance of the organisation.

Boswell (2006:1491) contends that if employees have an accurate understanding of the objectives of the organisation and how they can contribute, this should facilitate their behaviour’s alignment with the organisation’s interests and needs and therefore realise the organisation’s objectives.

Walter et al. (2013:305) share an interesting dimension to strategic alignment and organisational performance: these authors suggest that a higher level of strategic consensus is linked to improved coordination and cooperation in the implementation of strategy, and hence, to organisational performance.

Some authors have identified the lack of strategy execution as a serious barrier to organisational excellence; Bossidy and Charan (2011:i-x) explain how this scenario has changed since the financial crisis of 2008. It is now even more challenging for organisations to execute within a time of crisis.
It is therefore clear through the investigations of these authors that one can make the assumption that organisations where employees understand the business environment within which the organisation operates, and what the organisation’s aspirations are in relation to where it is at that moment, are able to shift their behaviour in line with this reality and can influence the performance of an organisation in a positive way. One can deduce that in an organisation, strategic alignment and organisational success are linked, and that this process cannot come to fruition without effective leadership communication.

1.4 Strategic alignment and leadership communication

The role of leadership communication in establishing and enabling strategic alignment cannot be underestimated. In order for employees to align their actions with the goals of the organisation, they should firstly know the direction of the organisation, understand the goals the organisation wishes to achieve, and what their role is in achieving these goals. For this to happen one should accept that leaders have to share this information with their employees, ensure employees understand the information in the same way, and therefore create shared meaning.

Most importantly, effective leadership communication can stimulate dialogue between managers and followers and will give managers the opportunity to obtain useful feedback from followers which can inform future planning and execution. Therefore, strengthening leadership communication in an organisation can entrench a culture of communication, where followers are effectively aligned with the strategic direction and goals of the organisation through consistent messages, shared meaning and avoiding the distortion of key messages. Employees who understand the organisation’s goals, the division’s goals and their role in achieving these, can impact positively on organisational growth. Effective leadership communication also contributes to the climate within an organisation as it ensures that employees are engaged, by winning their hearts and minds so that they are motivated to contribute to the improvement of morale and organisational performance.

The role of leadership communication is therefore vital to strategically align employees in an organisation, but it depends on the ability of leaders at all levels of the organisation to communicate and contextualise the strategy that eventually determines the degree of strategic alignment in the organisation. The lack of strategic
alignment or misalignment occurs largely due to a lack of strategic dialogue (conversations) and this is the main reason why most organisations fail to achieve their strategic aspirations.

Strategic alignment and the improvement of performance are inextricably linked in any organisation, but the key to improving performance lies not only in restating the vision, strategy and aspirations, or in encouraging the organisation to do better, but rather in changing the organisational environment through communication that will allow and encourage decision making that is aligned with the overall objectives of the company.

The challenge, however, is always that one depends on individuals with different communication competency levels, different personality types, and sometimes hidden agendas, to convey the strategic messages to employees. Therefore the organisation runs the risk that messages may become distorted, or conveyed in ways that neither enhance the organisation’s strategic aspirations nor serve the organisation’s best interests. The risk can be minimised if leadership manages communication as an important strategic imperative and supports managers to create an open, honest and safe communication culture.

Puth (2002:32) explains that communication must be seen as a key resource of leadership. It begins with CEOs who make effective leadership communication their first priority, by rule and example. Even with the support from top and middle managers, many barriers may still exist, but the challenge is to overcome these obstacles and to make communication the driving force it can and should be within an organisation. This should be the communicating leader’s primary responsibility and challenge.

Leadership communication also plays a crucial role during times of change as discussed by Kotter (1996:85,87); whether it changes within the organisation or within the external environment in which the organisation operates, it remains a challenge to align employees with a new vision, especially in large organisations. Keeping employees abreast of these changes helps create alignment and also a climate of trust and commitment so that employees remain engaged and motivated to behave according to the organisation’s aspirations in a changing business environment.
Puth (2002:4) points out that for communication to become an effective leadership tool and a force in business, it has to be practised and applied effectively by the organisational leadership. He states that leadership and communication go hand-in-hand. It is the quality and effectiveness of leadership communication that will eventually determine the success of an organisation on the whole (Puth, 2002:12).

Puth (2002:22) redefines the roles of leaders and followers and emphasises that the traditional definitions of leaders and followers shape our expectations of both these roles. We should think of these roles as equal but different activities instead of seeing the leadership role as the superior one.

What are the differences and similarities? According to Puth (2002:22), leaders have the vision to set strategic goals and strategies, are able to communicate this to large and diverse groups of individuals, have the interpersonal skills to achieve consensus, and have the desire to lead.

Followers in turn have the vision to see both the big picture and the operational requirements to achieve it. They also have the social ability to work well with others, the strength of character to flourish without heroic status, the moral and psychological balance to pursue both personal and corporate goals with no detriment to either, and the desire to participate in a team effort to accomplish some greater common purpose (Puth, 2002:22).

The role of leader and follower is therefore interchangeable. The activities of each role might be different but the objective remains the same: to reach shared meaning, or shared understanding, also termed strategic consensus by Rapert et al. (2002:301-310), and to work effectively towards achieving a common goal.

Leaders are therefore responsible to strategically align their followers with the corporate strategy and strategic goals of the business, and ensure that there is shared meaning about the direction of the business and the internal and external risks facing the business.

Leadership communication creates strategic alignment as confirmed by Puth (2002:198):

The term strategic alignment presupposes that there is a strategic line, a clear overall strategic direction, intent, and a set of desired outcomes – that business units,
divisions, and eventually every individual can align their actions to. The second implicit assumption of strategic alignment is that everyone is aware of this strategic line and that it is sufficiently ‘visible’ for alignment to take place.

If leadership communication is applied successfully in organisations, followers will be able to work effectively towards a common goal, because they understand the bigger picture.

One should endeavour to better understand how the role of leadership communication in the achievement of strategic alignment is perceived by employees and what their expectations are. It is my intention to investigate such perceptions and expectations through a case study involving senior, middle and junior management of a selected organisation.

1.5 Problem statement

Leadership communication plays a crucial role in establishing strategic alignment, but a paradox exists. The paradox in leadership communication is that it should be easy and natural to communicate, but it remains difficult to communicate effectively to ensure shared meaning and strategic alignment, as stated by Puth (2002:12).

Even though communication is perceived by most to be a natural human interaction that takes place continuously among people within organisations, leaders find it difficult to communicate effectively with their followers. Leaders therefore find it difficult to ensure that their followers understand the strategic goals and the direction of the organisation. At the same time they are unable to effectively communicate the challenges and risks the organisation faces on its strategic journey.

They are therefore unable to create shared meaning, to influence their followers, to ensure greater understanding, and in turn motivate them to change behaviour in line with the strategic direction of the organisation.

Organisational success largely depends on how effectively employees’ behaviour is aligned with the goals of the organisation. They have to understand what they need to achieve and what is expected of them to ensure that they execute the organisational strategy successfully. One has to assume that strategic alignment plays a crucial role in achieving organisational excellence and that this relationship is supported by effective leadership communication. The question, however, remains
whether the employees and their leaders view strategic alignment and leadership communication as important elements in their quest to achieve organisational excellence, and if this is implemented in an effective way within the organisation. Puth (2002: 204) refers to this as the ‘strategy versus alignment paradox’.

1.6 Purpose statement

The purpose of this study is to determine the extent to which leadership communication plays a role in strategic alignment and the role strategic alignment plays in achieving organisational excellence within various divisions within a Johannesburg Stock Exchange (JSE)-listed company in the FMCG industry.

1.7 Research objectives

- Determine respondents’ perceptions on the current state and patterns of leadership communication behaviour in the organisation.
- Determine respondents’ perceptions on the importance of elements of leadership communication behaviour for the success of strategic alignment in the organisation.
- Measure and analyse the gaps between respondents’ perceptions of the current state and patterns of leadership communication behaviour and their perceptions of the relative importance of such leadership communication behaviour for the success of strategic alignment in the organisation.

The design of the research is a case study. Struwig and Stead (2001:8) describe a case study as a method of research which involves an intensive study of a relatively small number of situations or cases. The emphasis is on arriving at a complete description and understanding of the constructs being studied, despite the small number of persons involved. This case study focuses on the senior, middle and junior management within certain business units of the organisation. The data collection takes place through a survey in one case study and cannot be replicated, that is, the findings will not be able to be extended to other contexts.

1.8 Delineation of the research

The study involved senior, middle and junior managers in certain business units within a South African JSE-listed company. The study did not include the
management board (top management) and employees below job grade 8 at a supervisory level of the organisation. It also excluded employees who were part of the bargaining units. It also did not cover unskilled employees. The study also excluded certain business units which had undergone structural changes at the time of the study. The study therefore focused on the southern African marketing, human resources, finance and distribution business units, and the group operations, human resources, finance, information technology, and international operations (excluding operations in Scotland, Taiwan and France), and corporate affairs business units. The study excluded certain business units which had undergone structural changes at the time of the study. The study therefore focused on the southern African marketing, human resources, finance and distribution business units, and the group operations, human resources, finance, information technology, and international operations (excluding operations in Scotland, Taiwan and France), and corporate affairs business units. The reasons for excluding the operations in Scotland, Taiwan and France were because of language limitations and also job grading levels which are different from the system utilised in SA and other countries where the business operates.

1.9 Significance of the study

In view of the organisation’s focus on continuous improvement, the corporate communications function has identified that strategic internal communication conveyed from leadership to followers needs to be more structured. The focus on leadership communication as a company-wide strategic internal-communication approach needs to be strengthened to ensure improved strategically aligned understanding and behaviour.

This study therefore serves as a base-line study in assessing the effectiveness and importance of leadership communication and strategic alignment in most business units of the organisation. The study will be valuable to the organisation as it will provide a good foundation for the planning of future communication initiatives aimed at strengthening strategic leadership communication to support strategic alignment which can impact positively on the performance of the organisation.

The findings of this study will assist the corporate communications function to improve the following:

- Developing a strategically aligned and integrated internal communication strategy in line with the gaps identified in the findings.
- Positioning and equipping all leaders to become the key conduits of and accountable for communication.
• Establishing communication structures and processes that will enable leaders to communicate more effectively for strategic alignment.

1.10 Overview of Chapters 2 and 3

The following two Chapters focus on the role of leadership communication in achieving strategic alignment (Part 1: Chapter 2) and the role strategic alignment plays in organisational excellence (Part 2: Chapter 3). In Chapter 2 the emphasis is on the importance of leadership communication as a leadership resource and tool to be used by the leadership of an organisation to align its people with the strategic direction of the company. It is described as the priority of the CEO of the organisation to set the example of being a ‘Communicating Leader’ who inspires and excite people about the goals of the organisation through communication, therefore motivating them to change behaviour and act in line with the goals of the organisation. Employee engagement is also discussed as a resource that support leadership communication aimed at creating ‘line of sight’ through winning the hearts and minds of the organisation’s people and succeeding in propelling the organisation forward.

Chapter 3 focuses on the role of strategic alignment in achieving organisational excellence. Strategic alignment refers to the way organisations mobilise employees behind the business strategy through understanding of the strategy and their role in achieving it, also how execution of the strategy is measured, and this way ensure successful strategy implementation so that the organisation can win in the market place, even during times of profound change.

The achievement of a sustainable competitive advantage through linking the people strategy with the business strategy is also discussed. The focus is on crafting a compelling vision, creating a culture of trust and commitment and an understanding of the work context.

1.11 Chapter conclusion

The study focuses on what the role of leadership communication is to ensure that a climate of engagement with employees is created, promoting genuine involvement and participation to ensure greater understanding of the strategy and the successful execution thereof for the greater good of the company. The study therefore aims to
understand the perceptions and expectations of employees in terms of the role of leadership communication as an enabler of strategic alignment and also to investigate the role strategic alignment plays in achieving organisational excellence.

Leadership communication as a leadership resource to ensure strategic alignment will be further explored.
2.1 Introduction

Leadership communication is an essential element of supporting the strategic alignment process within an organisation. It also creates a culture of communication which is open and invites participation, therefore engages employees and enhances their understanding of the goals and strategic intent of the organisation even during times of change. Their contributions therefore become strategically aligned with what the organisation wants to achieve, and execution of the business strategy is successful.

2.2 Leadership communication and strategic alignment

Leadership communication authorities define leadership communication as the lifeblood of the strategic success of organisations. They explain that it has become the most important ingredient to effectively align followers with the goals of the organisation. They also state that even though most leaders are good at strategy creation, they are most concerned with the challenge of successful strategy execution, which is linked to the ability to effectively contextualise the strategy into meaningful messages that followers understand, and with which they can align their actions.

Communication is viewed as something human beings do naturally, and that is easy to implement in organisations, but few leaders within organisations are aware of the power of effective leadership communication and actually have little understanding of how to implement it to the benefit of the organisation.

Baldoni (2004:20) supports this view as he explains that communication is perceived to be easy for leaders and that most people in supervisory roles have the ability to speak; the ability to speak, however, is not the same as the ability to communicate. He explains that communication is a two-way process and that it involves speaking and listening, as well as checking for understanding.

Clutterbuck and Hirst (2002:351) explain that the sheer volume of research done on the topic of leadership shows that it is not an easily defined topic, but that most of the
authorities on leadership agree that effective leaders are also effective communicators.

Barrett (2006:385-386) states that through effective communication, leaders lead. Good communication skills foster and create the understanding and trust necessary to encourage others to follow a leader. Barrett defines leadership communication as the controlled, purposeful transfer of meaning by which leaders influence a single person, a group, an organisation or a community. Leadership communication uses a full range of communication skills to overcome barriers and create messages that guide, direct, motivate or inspire others to action.

The purpose of leadership communication is described by Baldoni (2004:20-21) as leadership messages that are designed to engage the listener, gain commitment and ultimately create a bond of trust between leader and follower. He also states that this drives results, enabling follower and leader to work together more efficiently because they understand the issues and know what needs to be done to achieve the goals.

Puth (2002:12) explains that leadership and communication cannot be divorced. It therefore implies that there cannot be any leadership without communication. Organisations consist of people: it can therefore be said that, in all its manifestations, leadership is communicating with people. Puth (2002:12) further elaborates that it is clear from work done by the new generation of corporate philosophers such as Mintzberg, Kanter, Naisbitt, and many others, that the nature and actual processes of leadership, which have a much greater focus on people leadership, will require a much stronger emphasis on the communicating abilities of the modern leader.

Puth (2002:30) emphasises that communication is what leaders do: it is the essence of leadership work. Leadership at each level of the organisation should make use of organisational communication by using the internal communication function or consultants, but ultimately the success of leadership communication will lie in increased understanding, commitment and effort of leaders at all levels of the organisation.

The management of people in people-orientated organisations cannot take place without effective leadership communication. Puth (2002:32) reiterates that where there are people, there has to be communication, and this means that leaders must be able to communicate. Puth (2002:32) confirms that communication is seen as one
of the key resources of leadership and the example should be set by the CEO who makes effective leadership communication a priority. The author therefore reinforces that the goals of communication are to identify, establish, and maintain beneficial relationships between the organisation and its employees, on whom its success or failure depends (Puth, 2002:32).

Puth (2002:25) explains that in order to meet the demands of the modern business world, it means moving beyond management to leadership. The late Dr Anton Rupert specified four general requirements for good business leadership: one of these four general requirements is that leaders can only make their dreams a reality by communicating their vision, therefore aligning employees with the vision. For Rupert, leadership meant making ideas tangible and transforming facts, concepts and anecdotes into meaning.

Boswell and Boudreau (2001:851) investigated how leading companies create, measure and achieve strategic results through ‘line of sight’. The authors define line of sight as the employee’s understanding of the organisation’s objectives and how they can contribute to these objectives. Boswell and Boudreau (2001:851) emphasise aspects such as employee depth and direction, meaning that employees should not only understand the strategy, but they also have to accurately understand the actions aligned to the strategy. Line of sight, according to Boswell and Boudreau (2001:855-856), can be influenced by increased communication, incentives, employee involvement and more general organisational practices such as an open-door policy. This study by Boswell and Boudreau (2001:855-856) also highlights the consequences of line of sight, which include increased morale as employees see the importance of their contributions, improved retention, better customer service, and increased competitiveness.

Neves and Eisenberger (2012:452) confirm that an open communication culture (open lines of communication with managers) is more likely to foster effective working relationships with managers, increase their organisational identification, at the same time enhance their performance, and in turn contribute more effectively to organisational productivity. It is also evident that employees who operate in an open communication culture are also better able to cope with organisational changes and report higher organisational identification, as explained by Bartels et al. (2007:173-174). This implies a form of identification with a (formal) group which is often the
organisation where a person is employed, and also the degree to which employees truly feel part of that organisation.

Neves and Eisenberger (2012:453) highlight evidence which supports aspects of effective management communication, such as high frequency, openness and accuracy, performance feedback, and adequacy of organisational policies and procedures; these are positively related to employee performance. Kacmar et al. (2003:764) underscore the above evidence, that exchange between leader and member relates into higher job satisfaction when there is a high frequency of communication with supervisors. Men (2014:265) focuses on strategic internal communication, and specifically symmetrical internal communication, which according to public relations scholars (Grunig et al., 2002), is among the most effective communication strategies for employee relations.

Grunig et al. (2002:481) emphasise that various factors can influence symmetrical communication, such as organisational culture, structure, management behaviour, power distribution, and diversity, and acknowledge and therefore support the debate that symmetrical systems of internal communication increase the possibility of job satisfaction and satisfaction with the organisation (Grunig et al., 2002:481). Men (2014:265) is, however, of the opinion that what is absent from this work is the effect of organisational leadership on internal symmetrical communication. Yukl (2006), cited in Men (2014:265), found that organisational culture, climate, and communication are directly or indirectly determined by leadership at different levels in an organisation.

Taking these findings into account, one can deduce that the modern leader has a greater responsibility to communicate, and to create an environment of an open communication culture where employees feel they can identify with the organisation and that they are supported in order to perform well and contribute to the success of the organisation. Organisational leadership and their manner of communication determine how employees experience the smell, feel and touch of an organisation, and this will determine their effectiveness.

It is also important to focus on the alignment of employees through communication during times of change as the strategy of an organisation evolves to adapt to changes in the internal and external environments. Kotter (1996:85,87) explains that
when the future direction of an organisation changes, it is a challenge to communicate this new vision in such a way that it is understood by all and that everyone is committed to it. It can therefore be quite a challenging undertaking to get a large number of people in an organisation to accept a particular vision.

Kotter (1996:87) clarifies why this is such a difficult task, especially in large organisations, and how many organisations get it wrong. He points out that accepting a vision for the future can be intellectually as well as emotionally challenging. It is natural for those involved, including the guiding coalition, to question what the change means for them and the organisation, what they will have to do differently, and whether they can do it, or if other options exist.

The author emphasises how much harder the emotional work of strategy is compared with the intellectual work of crafting a strategy. It has to do with letting go of how things were and of embracing future options.

Kotter (1996:90) identifies key elements that one should adhere to when communicating a changed direction or vision. They include aspects such as keeping the message simple and avoiding jargon, using a metaphor or analogy by sketching a verbal picture, repeating the message and using multiple forums, and having a feedback loop for bottom-up communication. Most importantly, leadership has to act consistently in line with the new vision, and any inconsistencies should be addressed as these two elements will undermine the credibility of all communication (Kotter, 1996:90).

Kotter (1996:97) concurs that trying to sell a vision before top management has embodied it is a tough task, and it is recommended that even if there were consensus about the new vision, that leadership behaviour is carefully monitored to ensure that the communication does not lose credibility.

In support of the role of leadership communication and leadership behaviour for strategic alignment Gallup Consulting (2010:1) observes that the top-performing organisations understand that employee engagement is a driving force behind organisational success and that an employee engagement strategy which is linked to the strategic goals of the organisation will help the organisation win in the market place. Gallup Consulting (2010:5) also points out that in the best performing organisations there is a cultural alignment between employees and the company,
paired with a strategic alignment between activities and company goals. Pugh and Dietz (2008:44-45) support this debate and suggest that leadership is a forerunner for organisational engagement and effectiveness. Pugh and Dietz (2008:45) confirm that employee engagement should be studied at the organisational level, as performance at a business unit level is often easier to measure than on an individual basis, as the metrics for evaluation used by managers and leaders are at the organisational level.

The communication abilities of leadership teams are recognised as important drivers for engagement (Wiley et al., 2012, cited in Welch, 2011:338). Welch (2011:338) argues that good quality internal communication enhances engagement, especially in clear messages employees receive from senior managers so that they understand how their roles comply with leadership vision. It also promotes employees’ understanding of the goals of the organisation and enables them to identify with the values of the organisation. Communication therefore takes place between strategic managers and internal stakeholders, and is designed to enhance commitment to the organisation, a sense of belonging to it, awareness of its changing environment, and understanding of its evolving aims (Welch & Jackson, 2007, cited in Welch 2011:339).

Strategic alignment therefore truly requires a corporate culture where employees feel one with the shared value system of the organisation, and are positively engaged and emotionally connected to the vision and goals of the organisation. This type of culture can only be created by the leadership of the organisation, where they align their actions with the philosophy of the organisation, thereby conveying the verbal and non-verbal messages which are aligned with the big picture.

Building on the evidence found in support of organisational engagement and organisational effectiveness, MacLeod and Clarke (2009) produced a report to the British government, Engaging for Success: Enhancing Performance through Employee Engagement, to strengthen this link. The report contains data from across various sectors and many studies consulted which reveals that there is a clear correlation between engagement and performance – and most importantly, between improving engagement and performance.

MacLeod and Clark (2009:8) acknowledge that many definitions of engagement exist, but what is at the core of this belief is that it is, to a large extent, how the workforce
performs that determines the success of the organisation. That the workforce be positively encouraged to perform at its best should be a prime consideration for every leader and manager, and should be placed at the heart of the business strategy. MacLeod and Clark (2009:10) are confident that despite the debate about the precise meaning of employee engagement, there are three aspects which are known: it is measurable; it can be correlated with performance; and it varies from poor to great. What makes it important as a tool for business success is because there is a great deal that employers can do about it.

Employee engagement can be defined as follows:

Engagement is about creating opportunities for employees to connect with their colleagues, managers and wider organisation. It is also about creating an environment where employees are motivated to want to connect with their work and really care about doing a good job ... it is a concept that places flexibility, change and continuous improvement at the heart of what it means to be an employee and an employer in a twenty-first century workplace (Professor Katie Truss [2009], Chartered Institute of Personnel and Development).

The report confirms that organisations function best when they make their employees' commitment, potential, creativity and capability central to the operations of the business. Financial input and having a sensible strategy is vital, but how people behave at work can make the crucial difference between its success or its failure.

MacLeod and Clark (2009:12) reaffirm the link between employee engagement and the financial performance of an organisation through the Towers Perrin-ISR Employee Engagement Report that carried out a global survey in 2006 which included data gathered from opinion surveys of over 664,000 employees from over 50 companies around the world, representing a range of industries and sizes. The survey compared the financial performance of organisations with a highly engaged workforce with that of their peers with a less engaged workforce, over a 12-month period. The findings showed a significant difference in bottom-line results in companies with highly engaged employees when compared with companies with low levels of employee engagement. Most noticeable was the near 52 percent gap in the performance improvement in operating income over the year between companies with highly engaged employees versus companies whose employees had low engagement scores. Companies with high levels of employee engagement improved
19.2 percent in operating income, while companies with low levels of employee engagement declined 32.7 percent over the study period.

In support of these findings, Standard Chartered Bank reported that in 2007 they found that branches with a statistically significant increase in levels of employee engagement (0.2 or more on a scale of five), had a 16 percent higher profit margin growth than branches with decreased levels of employee engagement.

During times of change, such as the severe global financial crunch of 2008, employee engagement is seen as the vehicle to assist organisations to deal with these challenges. This was evident, and identified in this report, when focusing on the challenges occasioned by the global recession and how UK business managed these challenges. MacLeod and Clarke (2009:25) cite research by Professor John Purcell presented at a CIPD/Acas conference in June 2009, who shared a variety of ‘Black Monday’ stories illustrating cases where the effects of the recession were poorly managed, which resulted in a collapse of confidence, breach of trust and a withdrawal of engagement. He also gave an example of a company that was forced into making hard choices, but this was done in such a way that it led to an increase in engagement and protected both the employee and company prospects.

MacLeod and Clarke (2009:34) demonstrate that the case for workplace engagement has been clearly made and that business should just continue to implement it, but also acknowledge that there are critics who have indicated that there are organisations that run on a ‘command and control’ basis and who on the surface disregard their staff, are actually doing well. MacLeod and Clarke (2009:34) conclude that these organisations that show commercial success can be identified as the ones that operate in an environment where competition is weak or where the product or service is in demand or sufficiently differentiated. The challenge for these organisations remains, however, whether they could be doing even better if they secured the added value which employee engagement brings.

The literature review confirms that organisations need communicating leaders who understand and value the role communication plays within the organisation. Such leaders will effectively take employees on the organisation’s business journey, as well as on their personal journey of being part of an organisation where the climate enables employees to flourish and remain committed, even during times of change.
and uncertainty, because they know what is expected of them to make themselves and the organisation great.

2.3 Chapter conclusion

The insights obtained in this Chapter were concerned with the communication ability of leaders, how they motivate employees to remain engaged and how they align what they do with the direction of the company. Insights into the importance of leadership communication during times of change and uncertainty were reinforced. During these times leaders should ensure that employees stay abreast of developments in the internal organisational environment as well as the external environment and understand how the organisation and their actions are affected by these changes. Employees therefore need to be culturally, strategically and operationally aligned to ensure organisational success.
3.1 Introduction

Organisational excellence is linked to the performance of an organisation which includes, amongst others, improved share price, market share, and profit before or after tax, customer satisfaction levels, cash invested, and organic growth or growth by acquisitions and mergers. The Chapter explores how companies achieve excellence in terms of how they measure performance, the importance of strategic alignment, communication, consensus, and how a favourable environment is created.

Firstly, Kaplan and Norton (2001:7) explore the creation of a strategy-focused organisation through the implementation of the balanced scorecard. The authors confirm that in the rapidly changing business environment one has to ensure that strategy is continuously implemented by everyone on a daily basis within the organisation (Kaplan & Norton, 2001:3). Focus is placed on how the balanced scorecard has evolvement as a measurement tool to now include financials and non-financials as drivers of performance.

Secondly, creating a favourable environment, Gratton (2000:10), focuses on linking the people strategy with the business strategy through translating business goals, creating the right work context and alignment with individual and company performance.

Thirdly, execution of strategy for organisational excellence is the focus of the authors Bossidy and Charan (2011:ix). They focus on the alignment and execution of the strategy in a business environment that is very different to the one we once knew. They point out that the global business environment has been ‘reset’, which makes strategy execution more challenging and they identify three core processes: people, strategy and operations to be implemented for successful strategy implementation.

Fourthly, Senge (1990:234) addresses the relevance of team learning for groups to function as a whole, be aligned with a common direction, have a common purpose and shared vision, so that coordinated actions are synchronised.
3.2 Strategic alignment and organisational excellence

Kaplan and Norton (1996:75-76) employed the balanced scorecard as a strategic management system to help managers link today’s actions with tomorrow’s goals. They introduced four new perspectives, which include translating the vision and strategy, communicating and linking, business planning, and feedback and learning.

For the purpose of this study only two perspectives are focused on: translating the vision, which helps managers build a consensus around the organisation’s vision, and strategy. The vision statements should translate into an integrated set of objectives and measures that describe the long-term drivers of success. This should be agreed upon by senior managers and can serve as a guide to action at a local level. Communicating and linking help managers communicate the strategy up and down the organisation and link it to departmental and individual objectives.

Kaplan and Norton (2001:2) explain that implementation of strategy has become far more important than devising a good strategy. The authors believe that management and corporate valuations are shaped by how well a strategy is implemented. The valuation of corporations has also shifted from managing tangible assets to managing knowledge-based assets that facilitate an organisation’s intangibles, such as customer relationships, innovation of products and services, high-quality and responsive operating processes, information technology and databases, and employee capabilities, skills and motivation (Kaplan & Norton, 2001:2).

They argue that in an economy dominated by tangible assets, the use of financial measures to record data on a company’s balance sheet, as well as the expenses related to the use of these tangible assets to produce revenues and profits, is acceptable; however this approach has changed (Kaplan & Norton, 2001:2). The authors are of the view that in today’s economy, the landscape is different in the sense that intangible assets, that is, knowledge-based assets, are the true value creators and have become the most important factors to remain competitive (Kaplan & Norton, 2001:2).

They therefore emphasise that finding tools to measure and describe knowledge-based strategies so that they can be managed has become a challenge. Another challenge, according to Kaplan and Norton (2001:2), is the centralised development and management of strategy, the command-and-control culture and tactical
management control system, such as the budget, which is slow and does not work in today’s rapidly changing environment. These are the reasons why corporations fail to implement radical new strategies crafted for knowledge-based competition: the focus has shifted from managing tactics to managing strategy (Kaplan & Norton, 2001:3).

The author further elucidate that today most company’s function through decentralised basis units and teams that live much closer to customers and employees. These companies also recognise that competitive advantage comes from intangible knowledge, capabilities, and relationships created by employees, rather than tangible assets such as acquiring physical assets and access to capital (Kaplan & Norton, 2001:3). The authors contend that for strategy to be implemented successfully all business units, support business and employees need to be aligned and linked to the strategy.

Kaplan and Norton (2001:3) emphasise that in an ever changing environment, with changes in technology, the competition and the regulatory environment, one has to ensure that strategy implementation is a continuous process and that there is participation within the organisation. They suggest that within organisations today, a language for communicating strategy is needed, as well as processes and systems that can help to implement strategy, thereby making strategy part of every employee’s daily function (Kaplan & Norton, 2001:3).

The authors therefore reveal the correct strategy for a dynamic and changing environment, and how important alignment of business units and employees is to the implementation of the strategy. The question remains how performance against strategy should be measured.

Kaplan and Norton (2001:3) introduced the balanced scorecard several years ago: the scorecard concerned measurement, and not strategy. It was previously exclusively about measurement against financial measures, which steered organisations in the wrong direction, because they evaluated past outcomes and actions. Relying on financial indicators only caused organisations to create short-term behaviour which sacrificed long-term value creation for short-term performance (Kaplan & Norton, 2001:3).

The authors interrogated how one can measure future performance to help organisations do the right things. The answer was that strategy should be measured,
and the balanced scorecard was adapted to measure financials as well as non-financials, as proposed in the vision and strategy of the organisation (Kaplan & Norton, 2001:3). The balanced scorecard then became a tool for managing strategy.

Kaplan and Norton (2001:7) describe four case studies where companies made significant improvements in performance by using the same physical assets, human resources and customers. The difference was that they used the balanced scorecard to focus all the resources of the organisation to implement a new strategy, and at the time build a new management system, the balanced scorecard, now designed to measure strategy (Kaplan & Norton, 2001:7).

Kaplan and Norton (2001:7) further explain the three dimensions of this new management system. These include: strategy, as the main focus of the organisation, communicated in such a way that it is understood by all and acted on; focus, to ensure alignment of every resource and activity with the strategy; and organisation, which mobilises employees to behave differently. The aim therefore is to create a strategy-focused organisation through the implementation of the balanced scorecard (Kaplan & Norton, 2001:7).

3.2.1 The strategy-focused organisation obtains results through alignment and focus, and applies five principles. These include:

3.2.1.1 Principle 1: Translate the strategy to operational terms

Kaplan and Norton (2001:10) state that to implement strategy successfully, it has to be communicated in an insightful and consistent way. Although no generally accepted framework is available for this purpose, the balanced scorecard provides a framework, the ‘strategy map’, which is a logical and comprehensive architecture for describing strategy (Kaplan & Norton, 2001:10). The balanced scorecard uses quantitative, but non-financial measures such as cycle time, market share, innovation, satisfaction and competencies. The value-creating process through intangibles is therefore described: customer value proposition explains how skills, motivated employees and customer information systems are transformed into tangible outcomes like customer retention, revenues from new products and services, and, ultimately, profits. One can therefore understand that this value is described and measured, and not implied. (Kaplan & Norton, 2001:11).
Kaplan and Norton (2001:11) explain that the strategy map and the balanced scorecard provide a tool to describe how shareholder value is created from intangible assets, and therefore have the measurement technology for managing in a knowledge-based economy.

3.2.1.2 Principle 2: Align the organisation to the strategy

Kaplan and Norton (2001:11) explain that organisations consist of different business units, regions, and functional departments, with each having its own strategy, body of knowledge, language and culture. This creates the risk of functional silos that are a threat to the whole organisation’s alignment with the strategy and its successful implementation. Kaplan and Norton (2001:11) therefore recommend that synergy should be the overarching goal for organisation design.

The strategy-focused organisation mitigates this risk through replacing formal reporting structures with strategic themes and priorities that enable a consistent message and priorities to be used across a decentralised and diverse organisational structure (Kaplan & Norton, 2001:12). These common strategic themes and objectives will assist different business units and support centres to be linked to the strategy.

3.2.1.3 Principle 3: Make strategy everyone’s everyday job

Kaplan and Norton (2001:12) state that CEOs of organisations play a key role in deciding on the direction of the organisation, what the primary goals should be, and in crafting the strategy, but they cannot implement the strategy on their own. Kaplan and Norton (2001:12) therefore recommend that the active contribution of everyone in the organisation is needed, and refer to this as the movement of strategy from 10 (the senior executive team) to 10 000 (everyone in the company). This means that strategy needs to move to the frontline of the daily operations and customer service, but how does this get done?

Kaplan and Norton (2001:12) reiterate that for any strategy-focused organisation, it is imperative for all employees to understand the strategy and do their day-to-day activities in a way that contributes to the success of the strategy. This means that top-down communication needs to take place within the organisation. Some organisations find this risky, as strategic information might leak to the organisation’s
competitors, but the risk of negative consequences is small, because knowing the strategy does not mean you can implement it. Executives use the balanced scorecard to assist them with communicating and educating employees regarding the strategy (Kaplan & Norton, 2001:12).

Kaplan and Norton (2001:13) relate that educating employees to understand the scorecard, which is used to measure strategy, meant that education on certain business concepts such as customer segmentation, variable costing and database marketing had to be done. The high-level corporate and business unit scorecards were cascaded to lower levels of the organisation. This way individuals and departments could set their own objectives to be congruent with the wider priorities. It therefore benefits the organisation to communicate the strategy and the scorecard holistically, so that strategy becomes part of the daily operations (Kaplan & Norton, 2001:13).

Successful organisations rewarded performance by linking incentive compensation to the balanced scorecard. It was based on team performance rather than individual performance, and the business unit and division scorecards were used as the basis for rewarding performance (Kaplan & Norton, 2001:13). This way team work was emphasised as the way to execute strategy successfully.

3.2.1.4 Principle 4: Make strategy a continual process

Kaplan and Norton (2001:13) state that research indicates that less than 85 percent of management teams spend less than one hour per month on strategy discussions. According to the authors, most companies conduct tactical management methods, where monthly meetings are devoted to a review of performance versus the plan, through focus on variances of past performance and an action plan to fill the gaps. Fundamentally there is nothing wrong with this method, according to Kaplan and Norton (2001:13-14), but for most organisations this is their only approach, and this is why strategy implementation fails. The strategy discussion happens once a year, which is certainly not enough.

Strategy-focused organisations, according to Kaplan and Norton (2001:14), implement a different approach, where they integrate the management of tactics (financial budgets and monthly reviews) and the management of strategy into a unified and continual process.
3.2.1.5 Principle 5: Mobilise change through executive leadership

The first four principles dealt with the balanced scorecard tool, framework, and supporting processes, but Kaplan and Norton (2001:15) suggest that strategy-focused organisations need more than just tools and processes to reach breakthrough performance. Kaplan and Norton (2001:15) show that ownership and active involvement by the executive team is non-negotiable for success. Kaplan and Norton (2001:16) explain that strategy evolves in line with internal and external changes, and the implementation process is therefore not a static one. For this reason, consistent focus on change initiatives and performance against targeted outcomes is needed. This relentless focus requires energetic leadership at the top, otherwise strategy will not be implemented, and the opportunity for great performance will be missed (Kaplan & Norton, 2001:16).

A successful balanced scorecard is really viewed as a change project rather than merely as a ‘metrics’ project (Kaplan & Norton, 2001:16). At the start, the focus is on mobilisation and creating momentum; thereafter the focus shifts to governance. Kaplan and Norton (2001:16) describe how the organisation will move through a transition phase to a new performance management model – a strategic management system.

The executive leadership of the strategy-focused organisation, according to Kaplan and Norton (2001:16), is to explain the need for change very well to everyone in the organisation, use the scorecard to communicate the vision for future performance, and in this way mobilise the employees, whereafter the governance process will commence to guide the transition. This governance process defines, reinforces and demonstrates the new cultural values through creation of strategy teams and open communication (Kaplan & Norton, 2001:16).

Atkinson (2006:1441-1442) confirms the importance of the role of the balanced scorecard in the implementation of strategy. The author acknowledges that little academic research has been done in this area, but focuses on more ‘practical’ reasons for the failure of strategy implementation, which include communication difficulties and ‘low’ middle management skills levels.

Recent studies by Beer and Eisenstat (2000:7), cited in Atkinson (2006:1445), point out barriers to successful strategy implementation which highlight, amongst others,
unclear strategic intentions and poor vertical communication. Other major challenges to overcome are cultural and behavioural in nature – the impact of poor communication and diminished feelings of ownership and commitment. Alexander (1985), and Aaltonen and Ikavalko (2002), cited in Atkinson (2006:1445), recognise the role of middle managers as the ‘key actors’ who have a pivotal role to play in strategic communication.

A recent meta-analysis by Kellermans et al., 2011, cited in Walter et al. (2013:305), illustrates an interesting phenomenon of strategic consensus and organisational performance. Support for this argument that a positive relationship between strategic consensus and organisational performance exists has been found. According to Walter et al. (2013:306), strategic consensus focuses on the shared understanding of strategic priorities that allows managers to act independently, but still in a way that is consistent with what has been agreed on. The authors explain that owing to collective appreciation for strategic priorities, strategic consensus reduces self-interest, and constrains others’ misaligned actions, such as information filtering and procrastination (Gurth & MacMillan, 1986), cited in Walter et al. (2013:306). The authors conclude that strategic consensus among those who are responsible for strategy implementation at any level of the hierarchy improves coordination and cooperation, and this leads to more efficient strategy implementation and enhanced organisational performance (Walter et al., 2013:306).

Boswell (2006:1491) explains that without ‘line of sight’ to an organisation’s strategic objectives, the organisation runs the risk of employees developing conflicting goals that might be misaligned with those of the organisation, and may interfere in the operations of the organisation and ultimately its success. Boswell (2006:1491) posits that if employees lack ‘line of sight’, there is a greater risk of ineffective misaligned and inappropriate behaviour.

This discussion concurs with the arguments of Boswell (2006:1491), where the focus was on the shaping of employee mindset (or ‘collective’ minds) to create and build those decision-making premises that are consistent with the objectives of the organisation. Simon (1991:32), cited in Boswell (2006:1491), states that for an organisation to work well, you need employees to show more initiative than merely executing commands. Employees need to use all their skills and knowledge to reach the organisation’s goals; they therefore need to be given the right decision-making
mindset, which is key to their behaviour’s being consistent with realising the organisation’s goals (Boswell, 2006:1491).

Cao et al. (2011:568), in a meta-analysis study of strategic alignment, suggest that for an organisation to achieve and maintain strategic alignment managers should display the skill to enable alignment that is supported by the strategic planning process. The authors describe it as a dynamic organisational capability that enables an organisation to improve performance and create competitive advantage (Cao et al., 2011:568).

3.3 Linking the business strategy with the people strategy for sustainable competitiveness

Gratton (2000:10) highlights the new sources of sustainable competitive advantage of organisations that have people at the centre of the corporations. They are able to provide meaning and purpose, a context and frame that encourage individual potential to flourish and grow. This theory was demonstrated by Glaxo Wellcome, Motorola, and Hewlett Packard (HP), at a time when these organisations were compelled to redirect their business strategies for growth and put their people at the heart of the business, so that this could be achieved. The inspirational leaders of these organisations made the link between people and the financial health of the organisations, but since then a series of US and European studies has brought more clarity on how the behaviour of individual employees impacts on financial performance, and what influences individual behaviour. Gratton (2000:10) explains that these studies had at their core the causal model implemented by high-performance companies.

The causal model, according to Gratton (2000:10), focuses on appropriate business goals, which are translated into an appropriate context within which people work. These employees behave in a way which meets the business goals, and this impacts on the company’s performance and ultimately financial performance.

The causal model is illustrated through the success of HP, where it was evident that creating a culture of commitment, pride and trust resulted in a sustained 20 percent per annum growth, as noted by Gratton (2000:10). The crucial part of this relationship was that it placed behaviour of individual employees at the centre of wealth creation.
A series of large-scale research studies since, according to Gratton (2000:10-11), has tracked the impact of the context within which people work and their behaviours and attitudes towards the financial performance of the business; these have demonstrated that people are indeed at the centre of business performance. It is therefore evident that the message from the growing body of research and corporate experience of companies such as HP, Glaxo Wellcome, and Motorola, is clear: attitudes, skills and capabilities of people have the potential to create a sustainable competitive advantage, and an environment of trust, commitment and pride, rare, distinctive, and valuable, and nearly impossible to imitate by competitors (Gratton, 2000:7,10).

Gratton (2000:12-15) describes three tenets of this new agenda: we operate in time, we search for meaning, and we have a soul. Gratton (2000:12) explains that human time is felt in two ways: firstly, we develop, and it takes time to build commitment and inspiration; secondly, we are inspired by the memories and commitments of the past, the excitement of the present, and the dreams and hopes for the future. Humans evolve as they develop sequentially, and so do their skills and ideas, and this is the same, according to Gratton (2000:14), for the sequences at work.

Gratton (2000:14) emphasises that people do not change their emotions, values and skills overnight; instead they have a rhythm which is essentially a human cycle. This was demonstrated at Glaxo Wellcome, when they realised how long it took for their employees to move from suspicion to acceptance, and then to working positively with colleagues from different functions, which was required when a step-change in its business strategy was introduced.

The author describes the second tenet of this new agenda: creating meaning. Gratton (2000:14) states that people find meaning through their work, and in understanding their roles, as well as the purpose and values of the organisation. People acknowledge the company policy statements, but more importantly, they ask questions about the history and reputation of the organisation. Gratton (2000:15) is of the view that people are influenced by their colleagues and work groups, and the social cues they receive help them to understand how people behave, as well as provide impressions of the organisation; these guide them in their understanding.
Gratton (2000:15) confirms that as a consequence, one of the greatest challenges in organisations is to create the cues and processes which are mutually aligned and congruent with the goals of the business. When this alignment is weak, employees receive conflicting messages about what is important and what they have to do to be successful, and they become confused and distrustful.

Gratton (2000:48) further explains why the search for meaning is complex: within an organisation employees are exposed to the written rules of the company in the form of policy statements – official documents created by management – and the ‘unwritten rules’ – the rules of the game which are understood by employees and rapidly learned by new employees. Gratton (2000:48) states that sometimes these written and unwritten rules are aligned, but when they are misaligned, they create mixed messages and confusion about the business goals, and can therefore have an influence on performance. Gratton (2000:52-53) mentions the reasons for mixed messages, which can include:

- The organisation’s creating multiple or conflicting business goals which may not be coherent, for example, the need to innovate and be creative is a key business goal, while at the same time people are punished for taking risks and encouraged to be ‘right first time’.
- The heritage of process, which is part of the DNA of any organisation, such as outdated reward and promotion systems.
- The complexity of creating consistent meaning that is difficult to maintain because meaning is created through what senior managers say.
- How colleagues and peers behave, their values and norms of behaviour.
- The expressions of organisational policy regarding reward and appraisal, and how these work in reality.
- The understanding of the history and reputation of the organisation.

There is therefore ample opportunity for the messages of senior managers, behaviour of colleagues and reward and career development processes to be misaligned with business goals and aspirations (Gratton, 2000:53). There are therefore three key ways in which meaning can be created: clarity of business goals, the alignment of processes such as performance appraisal and rewards, and through shared meaning.
The author further explores why the search for meaning is so crucial to aligning people’s behaviour with the business goals of the company. Working to create a shared and coherent meaning congruent with corporate aspirations, according to Gratton, (2000:53), demands an understanding of the current meanings within the organisation. It also requires the ability to view the organisation in its complexity and to understand the symbols, linkages and relationships and to think systemically.

Gratton (2000:54) posits that as members of the organisation, individuals become part of ‘cognitive systems’ of shared patterns of beliefs, symbols and myths. These shared patterns of belief allow groups in organisations to create shared viewpoints and to drive high performance. The individual’s frame of reference exists within a collective framework: the conversations and discussions with colleagues, the sharing of experiences over time, create a cognitive consensus, a dominant logic or reality of the group of which he or she is a member. This brings an understanding of what needs to be achieved and how it can be achieved.

The third tenet is that humans are not machines. They have emotions, they have souls. According to Gratton (2000:15), it is the notion of the soul that captures the emotional side of the organisation. With this come trust and commitment, inspiration and exhilaration. The author believes that to engage at the emotional level can profoundly influence the relationship between the individual and the organisation. Gratton (2000:15) confirms that in an environment where emotions and feelings are allowed to flourish, where individuals can trust and feel commitment, they will share their knowledge and ideas, but where there is mistrust and where emotions are blocked and disregarded; people will keep their knowledge and ideas to themselves.

She supports the notion that an environment of trust and commitment is difficult for competitors to imitate, which is what gives companies that succeed in creating this the competitive and sustainable edge.

Gratton (2000:16) concurs that these three tenets should exist at the core of the philosophy of the organisation. There should be an understanding of human timeframes as a part of how we look at human development, that is, how quickly human potential can be transformed. This should facilitate the establishment of transformational organisations, where there is a continuous awareness of the need to
create an organisation in which the messages are aligned, and where there is a shared sense of meaning through the symbols we use.

Gratton (2002:17) explores the capabilities required to implement this new agenda, as these three tenets pose a real challenge for organisations to develop the organisational and managerial competencies capable of acknowledging and nurturing people.

Gratton (2000:19-22) explains nine capabilities which are required to implement this new agenda. These are:

- **We operate in time requires:**
  - visioning capabilities (creating a compelling future);
  - scanning capabilities (knowing the external environment); and
  - strategic capabilities (how to deliver business goals through people).

- **We search for meaning requires:**
  - diagnostic capabilities (knowing the internal organisational environment);
  - systemic capabilities (seeing all the integrated parts of the organisation);
  - adaptive capabilities (flexibility during turbulent circumstances).

- **We have a soul requires:**
  - emotional capabilities (assessing the general health of the organisation);
  - trust-building capabilities (justice and fairness in our treatment of people); and
  - psychological contract (changing individual needs) capabilities.

These three tenets and nine managerial and organisational capabilities represent a new agenda which emphasises the ability to think in a visionary and systemic way so that people become the centre of the corporation to ensure strategic alignment for competitive sustainability.

Gratton (2000:58) argues that alignment is not static and fixed, but rather dynamic and capable of evolving from the past into the future. This relationship can be expressed as dynamic vertical alignment between the business goals and aspirations.
of the organisation and individual behaviour. Gratton (2000:59) explains that around this vertical alignment are the processes and practices, such as rewards, training, competencies, structure, culture and leadership behaviour that reinforce the business goals. This refers to horizontal alignment, which captures the cohesion and coherence, the capability of the processes and practices to work together to create consistency and resonance.

Gratton (2000:59) points out that vertical and horizontal alignment are static concepts and explain the alignment between business goals and people processes, but the challenge in organisations is not only to create alignment around current values, meaning and goals, but to also prepare for future goals. This is termed temporal alignment, which focuses on linking current business goals to the vision of the future (Gratton, 2000:59).

The author recognises that there has been a fundamental shift in the sources of competitive advantage, from competitive advantage gained through financial and technological capital, to that gained through people and their knowledge, but even though this movement has been experienced, it is evident that in many organisations the machine metaphor is still dominant (Gratton, 2000:76).

In Gratton (2000:76), other cited authors, such as Arie de Geus, describe organisations as living entities, while Peter Senge’s work on complex systems makes the connection with biological, living systems; however, the question remains: why has the impact of this metaphor been so slow? Gratton (2000:76) confirms that the shift has been very slow and it seems as if it is entrenched in the simplicity of the machine metaphor, the simplicity of predictability, and the interchangeable machine parts, and the complexity of emotions and values, hopes and dreams.

As cited in Gratton (2000:76), these authors share their belief that it is because emotions such as trust and hope are elusive and difficult to grasp; however, there is also the complexity of measuring concepts such as commitment and inspiration accurately and reliably, whereas it is easier to quantify profitability and financial growth. Many times the difficulty is to create clarity around the concepts of trust, commitment and inspiration, what they really mean, and how they are developed in organisations.
In summing up the author’s views, it is evident that for an organisation to align its people with its strategy to ensure organisational success, this relies on the implementation of the causal model, applying the three tenets: we operate in time, we search for meaning, and we have a soul. These three tenets are supported by the nine capabilities, which aim to assist the organisation in terms of:

- creating a compelling vision in line with the organisational and business realities and dreams;
- helping with the need to understand the organisational environment, seeing as a whole the interrelated parts, and learning how to adapt to change;
- winning the hearts and minds of its people through trust, fairness and empowerment.

### 3.4 Execution of strategy for organisational excellence

Bossidy and Charan (2011:ix) note that in their earlier publication of 2002, they explored execution of strategy for competitive advantage, firstly from the point of view that if an organisation focuses on ‘getting things done’, it will be geared for success. Their later insights (Bossidy & Charan, 2011:iix) focus on organisational excellence in a drastically changed world: ‘resetting execution for a time of crisis’.

Bossidy and Charan (2011:ix) explain that today we are caught up in a deep global recession that is having an enormous impact on business, consumers and governments. It has resulted in an exponential loss of confidence and a realisation that strategies and business models that worked in the past will no longer do so. They point out that the global business environment has been ‘reset’, and we live in a world where radical rapid change is the order of the day; this reality makes execution of strategy even more difficult.

Bossidy and Charan (2011:x) highlight some of the profound changes that business can expect in the future: growth will be slow, owing to constraints on credit; leverage will be restricted, and opportunities for profitable growth will be difficult to find; competition will be fiercer, because in an economy where there is slower growth, everyone will fight to gain market share.

Governments around the world will take new roles in their economies and new business environments; there will be a new regulatory environment and each
government will implement it in a different way, either as partners to business or as adversaries. The trend has also changed to a more global rather than national regulation, which could be greatly impacted by different cultural and political systems (Bossidy & Charan, 2011:xii).

Risk management implies understanding and controlling risks at every level of the business, including global and economic risk. Leaders have to incorporate a plan in their strategies to not only deal with company risks, but also with risks in the global financial system (Bossidy & Charan, 2011:xii).

Taking these changes in the business environment into account, Bossidy and Charan (2011:ix-xii) suggest that organisations that fare well in this environment will have the ability to move quickly to make use of opportunities as they emerge, and they will have credibility as partners, suppliers and investments of choice. They will also be seen as attractive partners and suppliers to government bodies, and will adapt better to changing regulations.

Bossidy and Charan (2011:xiv) identify the three core processes of executing organisational strategy: people, strategy, and operations. These three processes are linked and form the core of strategy execution. It is crucial for strategy execution to take place, but as the business, economic and political environments change, so does the ways these processes are implemented. The way strategy is formulated has changed since the 2008 global crisis: the crafting of strategy cannot only be based on competitive industry analysis, but needs to take into account the ever-changing global business environment.

According to Bossidy and Charan (2011:xvi), the global war for talent, especially for the best leaders, is a significant one. The organisation that focuses on strategy execution should ensure that it has the right people in the right positions, and to accommodate change, should be able to write job descriptions as they will exist in the future. Comparing future job descriptions with those of the people holding current positions will guide the organisation in terms of the capability gap for future execution of strategy.
3.5 Three building blocks for strategy execution

Bossidy and Charan (2011:xxii) describe three building blocks needed for the successful execution of strategy. These include seven essential leadership behaviours; creating the framework for cultural change; and having the right people in the right place.

3.5.1 Leadership behaviours: non-negotiables when an organisation wants to execute its strategy well include the following:

Know your people and know your business: leaders have to be engaged in their business; know in depth at granular level how the business makes money that goes beyond profit, and also know the risks involved so that irreparable consequences can be avoided. To know the people of the business means that rigorous evaluation against clear goals has to take place with candid and constructive feedback to the employee. Be a good listener; invite participation even from those who are inhibited; in this way leaders can determine who is firmly grounded in reality and willing to overcome barriers in order to execute the strategy (Bossidy & Charan, 2011:xxiv, 57-58).

Insist on realism: Bossidy and Charan (2011:xxv) state that being realistic about the ever-changing business environment and the fact that uncertainty will be the order of the day constitute a realistic approach. Acknowledging that strategy will evolve all the time, according to changing circumstances, will benefit the organisation if it stays close to the front line and gathers ground-level intelligence about customer behaviour in the market place. The authors describe realism as the heart of strategy execution, but unfortunately in many cases employees prefer to avoid reality. They are also better at describing the strengths of the organisation and not so good at identifying the weaknesses, because they do not have answers on how to improve them (Bossidy & Charan, 2011:67).

The authors recommend that while understanding reality is imperative for an organisation’s leaders, it is of utmost importance to also communicate it to the employees. It means knowing your people and listening to their concerns (Bossidy & Charan, 2011:xxvi).
Identifying clear goals and priorities: Bossidy & Charan (2011:xxvi) explain that setting clear goals and priorities has become crucial, but even more important is the ability to set the right goals by being realistic. These goals then need to be articulated to employees who need to execute them by setting priorities and benchmarks. The authors also mention that fundamental to goal setting is the understanding of the risks involved in achieving the goals (Bossidy & Charan, 2011:xxvii).

Follow-through: This process, according to Bossidy and Charan (2011:xxvii), needs to take place constantly. This constant dialogue will ensure clarity about who is responsible for what, and will identify milestones for measurement. As events unfold quickly and uncertainty rises, closer gaps between milestones are needed – a faster flow of information to ensure everyone is aware of how the strategy is evolving so that follow-through can take place effectively.

Reward the doers: Bossidy and Charan (2011:xxviii) further explain how important it is know whom and what to reward. Doers are rewarded – people who get things done, and who achieve goals. Reward is linked to the achievement of long-term goals, some which are achieved at retirement only, but that have realistic milestones that can earn compensation. Short-term results are aimed at short-term goals and should be properly compensated on a short-term basis.

Bossidy and Charan (2011:xxx-xxxi) describe the last two leadership behaviours: expand peoples’ capabilities and know yourself as a leader. Even in tough times the organisation should remain committed to invest in training and development for the future of the organisation. CEOs should also know their own blind spots and avoid an attitude of ‘it is my way or no way’. It is important for CEOs to make use of expertise inside and outside the organisation in order to obtain diverse views. They need to have the emotional fortitude to hear views which are different from theirs, deal with their weaknesses, and be firm with non-performers (Bossidy & Charan, 2011:78).

### 3.5.2 The second building block: entrench strategy execution into the culture of the organisation.

Bossidy and Charan (2011:86) describe culture as the sum of the people’s shared values, beliefs and norms of behaviour in the organisation. It is also referred to as the social software in an organisation. To change a business culture, the emphasis is therefore on changing the beliefs and behaviour in such a way that they are linked to
the bottom-line results. To ensure that behaviour is aligned with the organisation’s performance, it is clear that accountability for delivering results should be the main focus of such a culture change (Bossidy & Charan, 2011:89).

Culture change happens when behaviour is changing and the foundation for behavioural change is to reward the right behaviour. In this way employees learn what is valued, recognised, appreciated, and ultimately rewarded in the organisation. This provides a guide to others in respect of how to scale up and improve their own careers (Bossidy & Charan, 2011:92).

Operationalising an execution culture also requires the reinforcement of the social software of the organisation by the leaders of the organisation. It also requires robust dialogue. Honesty, openness and informal discussions that bring forth information which improves understanding and the ability to reshape it in order to produce decisions, play a crucial role in getting it right (Bossidy & Charan, 2011:102).

3.5.3 The third building block: have the right people in the right place.

This means that leaders should ask the right questions of a candidate about his or her expectations of the role when evaluating a potential candidate, instead of only relying on aspects such as comfort, loyalty, intellect, qualifications, and peer recommendations. Delving into a candidate’s previous roles and way of work is crucial to finding the right person. Most important is whether the candidate matches the crucial questions of what the role needs (Bossidy & Charan, 2011:109).

The building blocks needed for successful execution of the strategy of the organisation, ultimately leading to organisational excellence, have been explored. This paves the way to further explore how the three processes: people, strategy, and operations are linked to the execution process.

The performance of an organisation depends greatly on the successful execution of its strategy and this means having the right people in the right positions so that such execution takes place. Bossidy and Charan (2011:141) indicate that to ensure this happens, individuals have to be evaluated in depth. Identification and development of leadership talent to create deep talent pools for the organisation’s future succession plan are crucial. The authors further explain that a powerful framework is needed for planning the talent needs for the organisation’s future over the short, medium and
long term, as well as the actions to meet those needs. This implies knowing how many and what kinds of people the organisation would need at a certain time (Bossidy & Charan, 2011:147).

They suggest the following: link the strategic plan to the operating plan target and include financial targets; and develop the leadership talent pipeline through continuous improvement through performance appraisals and development, succession planning and retention strategies. The question is whether the company knows its succession depth, that is, does it have enough high-potential individuals to fill key roles, and will key people leave if a position does not become available? It is also important to know what to do about non-performers, and to transform the role of the human resources department (Bossidy & Charan, 2011:148). It is evident that the human resource role within organisations has to move from being transactional to becoming a strategic partner to the business in order for the organisation to have the right roles and capabilities in place.

A robust people process also demands honest conversations about their performance; the people-development-and-assessment process needs to have integrity, a common approach, and a common language and frequency. Bossidy and Charan (2011:173) emphasise the importance of understanding what competencies are needed for the business model to produce business success and to evaluate the organisation’s leadership. In this way, information about people will be collected constantly, leaders get to know their people, and expertise in appraising and selecting the right people is developed.

There is substantial evidence that shows linking the people process to the strategy process is critical for successful execution of the strategy, as strategy is formulated by people. If the organisation has the right people in place, it is very likely that its strategies will be congruent with marketplace realities, the economy, and the competition (Bossidy & Charan, 2011:177).

Organisations with a culture where the execution of strategy is the primary focus, have a robust operating process, focused on an operating plan that links strategy and people to results. Bossidy and Charan (2011:226) confirm that the strategy process defines where an organisation sees itself going, while the people process defines who will get the organisation there. The path of how the organisation will get there is
provided by the operating plan, which includes the programmes the organisation will execute within one year to reach its objectives, such as earnings, cash flow, sales and margins. These programmes will include, amongst others, a sales, marketing, manufacturing and productivity plan, as well as product launches (Bossidy & Charan, 2011:227).

The authors have described how the business environment has dramatically changed since the financial crisis in 2008, and how this has influenced strategy formulation and execution, emphasising the importance of the linkages between strategy, people and operations. They also emphasise the importance of synchronisation.

Bossidy and Charan (2011:234) conclude that synchronisation of all the moving parts within the organisation is essential for successful execution. This means that all the interdependent parts must have common assumptions about the external environment for that specific year, and a common understanding thereof. It also means matching the goals of these interdependent parts and linking their priorities with other parts of the organisation in order to create synergy for execution excellence.

The literature review has so far underscored quite a few theories that support the link between strategic alignment and organisational excellence. The theories have revealed the importance of a few processes to ensure this alignment: the art of crafting and executing strategy in a dynamically changed business environment; the linkages between strategy, people and operations; the principles of creating a strategy-focused organisation; measuring strategy through the balanced scorecard; and creating shared meaning, the right culture, and synergy.

### 3.6 Team synergy and alignment

A focus on all the above-mentioned aspects within the organisation to ensure strategic alignment and execution of strategy is important, but at the same time there should also be a focus on creating a learning organisation through team synergy and alignment, as argued by Senge (1990). On the following page, Senge (1990:181) quotes Bill O’Brien, the CEO of Hanover Insurance during the 1960s:
In the traditional authoritarian organization, the dogma was managing, organizing, and controlling. In the learning organization, the new ‘dogma’ will be vision, values, and mental models.

The author describes mental models as the entrenched patterns and views people hold in terms of how the world works. These deeply held images conflict with new insights and these new insights therefore fail to be implemented. Senge (1990:175) explains how mental models influence people’s actions, because they affect what we see and they shape our perceptions in life and at work.

3.6.1 Team learning and alignment

Senge (1990:234) unveils the relevance of team learning for groups to function as a whole and thus be aligned. He describes aligned teams as those who have a common direction and whose energies are synchronised. These teams have a common purpose, and shared vision, and they understand how to work together to complement each other’s contributions. Senge (1990:236) explains three critical dimensions for team learning: explore insightful views on complex issues from all the members; introduce innovative and coordinated action; and develop ‘operational trust’.

Also the role of team members on other teams: working through other teams to achieve objectives means that the transferring of the practices and skills of the learning team is fostered in a wider organisational context; in this way organisational learning takes place.

Senge (1990:237) also points out that team learning is a collective discipline, so no one individual can achieve this on his or her own, but only as a team; in other words, we learn as a team and not as individuals in a team.

3.6.2 Communication amongst teams to enhance learning

Senge (1990:237) further explains that team learning requires becoming proficient in the practices of dialogue and discussion, as these are the two distinct ways that teams communicate with one another. Dialogue, according to Senge (1990:237), can be described as the free exploration of complex and sensitive issues, and it requires intense listening, whereas in a discussion, different views are presented and defended, and the best view that supports the decision to be made at the time will be
selected. Senge (1990:237) maintains that an interchange between dialogue and discussion can take place during team conversations, as teams sometimes are unable to distinguish between the two. Team learning also involves learning how to manage strong forces opposing constructive dialogue and defensive routines that could protect us, but prevent us from learning (Senge, 1990:237).

There are three conditions for dialogue to take place successfully, according to Senge (1990:243): all the participants must ‘suspend’ their assumptions, and be prepared to hold them up for examination; participants must see each other as colleagues, where individuals can safely have a different view; and a facilitator who ‘holds the context’ of the dialogue should be present and help those present to take ownership of the process and its outcomes. Senge (1990:247) also points out the importance of balancing dialogue and discussion, as both can lead to new courses of action. The author confirms that this is the focus of a discussion, whereas in the case of dialogue, new actions emerge as a by-product.

One can therefore draw the conclusion that team learning takes place when team members commit to open, frank and insightful communication around complex issues, where mental models are challenged and recreated that can result in new learning for the team, and in turn new learning for the organisation. This learning paves the way for new actions congruent with the team goals and those of the organisation, leading to organisational excellence.

3.7 Chapter conclusion

The literature review on the role of leadership communication and strategic alignment, as well as the role of strategic alignment and organisational excellence, reveals strong evidence that organisations require leadership commitment to create ‘line of sight’. This is achieved through effective leadership communication, exemplary leadership behaviour, and having the right people in the right place for strategy development, execution and measurement, to ensure that organisations are successful in an ever-changing business environment.
CHAPTER FOUR
RESEARCH DESIGN AND METHODOLOGY

4.1 Introduction

The research should be seen as a base-line study in form of a case study of a JSE listed organisation. The primary research was conducted by means of a quantitative survey design, a leadership communication survey based on the scaling methodology. The statistical technique implemented for this study was the chi-squared test,

The study aimed to determine the degree of importance and effectiveness of leadership communication in achieving strategic alignment, as well as the degree of importance and effectiveness of strategic alignment in achieving organisational success as experienced by managers at senior, middle and junior management levels within certain business units in this organisation.

4.2 Research design

The design of the research comprised a case study. Struwig and Stead (2001:8) describe a case study as a method of research which involves an intensive study of a relatively small number of situations or cases. The emphasis is on arriving at a complete description and understanding of the constructs being studied, despite the small number of persons involved. This case study focused on the senior, middle and junior management within certain business units of the organisation. The data collection took place through a survey in one case study and cannot be replicated, that is, the findings cannot be extended to other contexts.

4.3 Research methodology

The primary research was conducted by means of a quantitative survey design. Allen et al. (2009) define quantitative methods as any approach that uses systematic observations to account for and generalise about human behaviour. They also refer to systematic observations as those that are intentional, replicable and valid.

Allen et al. (2009) state that the primary objective of quantitative research is to create, expand and refine theory through the systematic observation of hypothesised connections among variables.
Struwig and Stead (2001:5) also describe quantitative research as an approach which is largely based on positivism. Positivism is a research paradigm (or framework) that combines a deductive approach with precise measurement of quantitative data so researchers can discover and confirm causal laws that will permit predictions about human behaviour (Neuman, 2000:516 cited in Struwig & Stead 2001:1-5). Quantitative research therefore often tries to establish causal relationships (cause and effect) between constructs. The conclusions arrived at through this research method are based on observed connections that are unlikely due to chance or error on the part of the researcher.

The study aimed to determine the degree of importance and effectiveness of leadership communication in achieving strategic alignment, as well as the degree of importance and effectiveness of strategic alignment in achieving organisational success as experienced by managers at senior, middle and junior management levels within certain business units in this organisation.

It was envisaged that measuring the degree of importance and effectiveness of the role leadership communication plays in obtaining strategic alignment, and the degree of importance and effectiveness of the role strategic alignment plays in achieving organisational success, would give the researcher an understanding of how these aspects are perceived by employees within the various business units in the organisation. It would also give an indication of what types of shortcomings exist and the improvements that could be made in order to close the identified gaps to move closer to the ideal level of execution of leadership communication and strategic alignment to achieve the desired organisational results.

As illustrated by Puth (2002:21-22), the role of leader and follower is interchangeable; therefore the survey questions (items) needed to be structured in such a way that the respondents could answer them from both the leader and follower’s perspective. The members of management who participated in this study could alternate between leader and follower, depending on the task and the situation at hand. This means that a manager of a team could take the lead (being the leader) within a business unit to engage and align team members with the role the business unit plays and those individuals in achieving the goals of the organisation, but that same manager could be the follower when part of a leadership team of a business unit receiving guidance from a director of that business unit in terms of alignment.
4.4 Measurement design

The research design was a case study, while the measurement methodology was a leadership communication survey, designed on the basis of scaling methodology. Scaling methodology is used, according to Leedy and Ormrod (2010:25), to categorise data according to four different scales, namely nominal, ordinal, interval and ratio scales. The authors further explain that the scale of measurement will ultimately dictate the statistical procedures that can be used in processing the data. The data will therefore have more meaning once interpreted according to the applicable scale for the study.

According to Maree (2007:167), scales are intended to assist the researcher to find strength of feeling or attitude. The author notes that the response options are structured in such a way that the variables measured can be expressed as numerical scores that can either be an ordinal, interval or ratio type. The analytical survey used for this study will make use of a Likert scale methodology which, according to Maree (2007:167), provides an ordinal measure of a respondent’s attitude. Malhotra (2010:308) explains that the Likert scale is a popular rating scale, where respondents are required to indicate the degree of agreement or disagreement with each of a series of statements about the stimulus objects. This measurement commonly has five response categories for each scale item ranging from ‘strongly agree’ to ‘strongly disagree’.

Malhotra (2010:309) points out that the Likert scale has the characteristics of description, order and distance. The author further explains that the analysis can be done on an item-per-item basis (profile analysis) or a total (summated) score can be calculated for each respondent by summing across items. When the summated approach is used to calculate each respondent’s score per item, it is important to use a consistent scoring procedure so that a high or a low score consistently reflects a favourable response. Malhotra (2010:309) indicates that the categories assigned to negative statements should be scored by reversing the scale when analysing the data, therefore for a negative statement, an agreement reflects an unfavourable response, but in the case of a positive statement, agreement indicates a favourable response. Malhotra (2010:309) also states that the disadvantage of the Likert scale methodology is that it can be difficult to interpret the response to the Likert item, especially if it is an unfavourable statement, and it takes longer to complete as the
respondent has to read each item, but the positives are that it is easy to administer and construct and respondents mostly understand how to use the scales.

Maree (2007:167) also explains that the Likert scale is applicable when the researcher wants to measure a construct. The researcher will be able to measure the construct through asking a range of Likert-scale questions and as explained, then calculating a total score for each respondent, that is, assigning the values 1–5 (if this scale applies), and then adding each respondent’s five values based on his or her responses. The study aims to measure two constructs: leadership communication and strategic alignment in terms of importance and effectiveness within a specific organisation on a scale of 1–5.

Leedy and Ormrod (2010:25) point out that measurement is a tool by which data may be inspected, analysed, and interpreted, so that the researcher may probe the meaning that lies below the surface. The Likert-scale methodology was best suited to analyse and interpret the data of this study, as it aims to establish the highest and lowest scores assigned to the variables by the respondents in terms of the importance and effectiveness of the role of leadership communication and strategic alignment, and how important this role is for strategic alignment and organisational success. This methodology also determined distance, which indicated the gaps between respondents’ perceptions of the current state and patterns of leadership communication behaviour, and their perceptions of the relative importance of such leadership communication behaviour for the success of strategic alignment in the organisation.

The statistical technique implemented for this study was the chi-squared test, which belongs to the category of non-parametric tests. Non-parametric tests are used, according to Maree (2007:225), when very little is known about the variable distribution in the population, and the chi-squared test is also applicable to studies where the researcher examines the relationship between nominal variables (Maree, 2007:246). The author also explains that the calculation in this type of analysis is based on the two-way cross-tabulation of the two variables.

In the case of this particular study, not much was known about the perceptions of the research population regarding the importance and effectiveness of the role of leadership communication and strategic alignment, and the role of strategic
alignment in organisational success. The researcher aimed to investigate the population’s perceptions about the two variables (importance and effectiveness of leadership communication and strategic alignment) and the relationship that currently existed between these two variables. The data was statistically analysed by making use of the statistical software program, SPSS.

The design included the use and adaptation of existing and applicable measurement items derived from the literature review, as this would increase the validity of the study, as well as items from previous quantitative surveys already implemented at various South African corporations.

The study can therefore be described as a base-line study, since no other research to determine the perceptions of leadership communication and strategic alignment within the selected divisions in the organisation has been conducted previously.

4.5 Research population and sample

The research sample refers to a group of representative individuals or organisations with relevant characteristics from which information is collected through their responses to standardised questions through a survey (Lapan & Quartaroli, 2009:88). Maree (2007:79) indicates that qualitative research is generally based on non-probability and purposive sampling, rather than probability or random sampling approaches. The author also explains that purposive sampling is applied when participants are chosen because they have certain characteristics, and only they can give the researcher the data required for the study. Lapan and Quartaroli (2009:88) also note that population parameters are important, meaning that a smaller group to which the findings can be generalised is more useful than an entire population.

The sample of this study can therefore be described as purposive sampling, as it included participants with specific characteristics that made them eligible to provide the data needed for the study. The study included management at this organisation at various levels. The management levels are graded as follows: top management: job grades 14+, senior management: job grade 13, middle management: job grades 11–12, and junior management: job grades 8–10. The whole management population was not included in the study, and the sample only focused on senior, middle and junior managers employed in job grades level 8–13 in the identified business units within the organisation.
Top management was excluded from this study owing to the focus on leadership communication and strategic alignment, which are aspects that top management is responsible for and should drive within an organisation. Excluding this level of management improved the authenticity of the study, as top management could have provided biased responses, due to their position of leadership in the organisation and decision-making power regarding the direction of the organisation. The participants selected were all managers in job grade levels 8–13, employed by the organisation within which the research took place. They were therefore well placed to respond to the survey to provide the researcher with information to assist in determining perceptions of the degree of importance and degree of effectiveness in terms of the role of leadership communication and strategic alignment to achieve organisational success.

These managers within the identified business units were invited to participate in this study. They are located at various offices and production sites which stretch across the nine South African provinces, Namibia, Swaziland, and Lesotho, as well as some international locations. For this reason, an electronic questionnaire, making use of SurveyMonkey®, was used to obtain the required data.

### 4.6 Delineation of the research

The study involved senior, middle and junior managers in certain business units within a South African JSE-listed company. The study did not include the management board (top management) and employees below job grade 8 at a supervisory level of the organisation. It also excluded employees who were part of the bargaining units. It also did not cover unskilled employees. The study also excluded certain business units which had undergone structural changes at the time of the study. The study therefore focused on the southern African marketing, human resources, finance and distribution business units, and the group operations, human resources, finance, information technology, and international operations (excluding operations in Scotland, Taiwan and France), and corporate affairs business units. The reasons for excluding the operations in Scotland, Taiwan and France were because of language limitations and also job grading levels which are different from the system utilised in SA and other countries where the business operates.
4.7 Research questions

The following main research questions, each of which is represented by a number of measurement items, were investigated:

- What are the respondents’ perceptions of the current state and patterns of leadership communication behaviour in the organisation?
- What are the respondents’ perceptions of the importance of elements of leadership communication behaviour for the success of strategic alignment in the organisation?
- What are the gaps between respondents’ perceptions of the current state and patterns of leadership communication behaviour and their perceptions of the relative importance of such leadership communication behaviour for the success of strategic alignment in the organisation?

4.8 Ethical considerations

Lapan and Quartaroli (2009:195-196) state that the need for ethical conduct during evaluation studies has increased. The American Evaluation Association (2003) developed ‘Guiding Principles for Evaluators’, which include ethical considerations for every stage of the research, such as during the planning and the reporting phases of the evaluation. Maree (2007:41-42) highlights the importance of confidentiality of the results and findings of the study, and protecting the identity of participants and the organisation during evaluation studies. Ethical issues include letters of consent and obtaining permission to conduct the research. Struwig and Stead (2001:67) also point out that participants should participate voluntarily and that there should be no negative consequences for non-participation.

The issue of consent in this study was dealt with by obtaining a letter of consent from the company secretary of the organisation within which the research was conducted. The letter of consent from the company, with the logo omitted, is attached as Appendix B. The participants were invited to participate voluntarily, and the name of the organisation is not mentioned in the study. They were also informed of the significance of the study and the value they could add. The anonymity of the participants was respected as no names were required on the survey, and they were assured that no personal information or contributions would be divulged.
4.9 Timelines

The survey was available for completion for a period of two weeks. After the first three days, a reminder was sent to all participants. Another reminder followed after one week to those participants who had not yet responded.

4.10 Methodology

4.10.1 Questionnaire development

The questionnaire consisted of 52 items which were obtained from the literature review and standardised leadership communication questionnaires implemented in corporate research. The items were also grouped into various leadership communication themes, but the themes were not included in the questionnaire, as this could have influenced the responses. The data analysis focused on the holistic evaluation of the importance and effectiveness of leadership communication and strategic alignment, but also included the findings for each leadership communication theme in terms of importance and effectiveness. The questionnaire, in Microsoft Word format, is attached as Appendix A.

4.10.2 Measurement technique

The research design was a case study, while the measurement methodology comprised a leadership communication survey, designed on the basis of scaling methodology, in particular the Likert scale that uses a 5-point importance and effectiveness scale. The study used a two-dimensional gap approach, where respondents were required to indicate their current perceptions of each item, the relative importance of each item, and the effectiveness of each item. In practical terms, this meant that each respondent was required to respond on two different scales to each of the items. Two sets of 5-point scales were used for this purpose. Verbal descriptors were indicated for the medial values of 1 and 5 on the actual questionnaire, but not for the medial values 2–4. These values, which were not described, can be inferred as indicated in Table 5.1 overleaf.
# Table 4.1: Scale dimensions and value descriptors

<table>
<thead>
<tr>
<th>Value</th>
<th>Dimension 1: How important do you regard the item to enable you to align your own work and the work of your section or division to the strategic intent of your organisation?</th>
<th>How effective do you regard the item to be in your experience of your daily work in your organisation?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Not important at all</td>
<td>Not effective at all</td>
</tr>
<tr>
<td>2</td>
<td>Maybe important, not sure</td>
<td>Maybe effective, not sure</td>
</tr>
<tr>
<td>3</td>
<td>Somewhat important</td>
<td>Somewhat effective</td>
</tr>
<tr>
<td>4</td>
<td>Important</td>
<td>Effective</td>
</tr>
<tr>
<td>5</td>
<td>Extremely important</td>
<td>Extremely effective</td>
</tr>
</tbody>
</table>

## 4.10.3 Data collection

Data was collected via SurveyMonkey®. All the respondents in the selected business units who had internet access received the questionnaire via email and could respond electronically and then submit the questionnaire anonymously to the SurveyMonkey® data folder. The questionnaire was accompanied by a non-obligatory invitation to participate, which also explained matters such as purpose and significance of the study, and confidentiality. All responses were captured on the SurveyMonkey® system and the data was reworked into the SPSS statistical program, as well a Microsoft Excel spreadsheet, and a PDF, Microsoft PowerPoint format.

## 4.10.4 Sampling

The sample for this study included management within selected business units and at various levels of management. The management levels were graded as follows: top management: job grades 14+, senior management: job grade 13, middle management: job grades 11–12, and junior management: job grades 8–10. The sample only included senior, middle and junior managers employed on job grades level 8–13 in the identified business units within the organisation.

The questionnaire was sent to 1118 respondents and 530 respondents participated. The respondents had two weeks to complete the survey and non-participants were sent three prompts during this time.
4.11 Statistical procedure

The items in the questionnaire were structured in the form of a statement as the example below indicates, and the responses were captured on the Likert scale of 1–5 for ‘importance’ and ‘effectiveness’. The example below also shows how the results were captured and presented.

Three general statistical procedures were applied in analysing the data:

4.11.1 Comparison of top box scores by dimension

In the first statistical procedure, top box percentages were calculated for each of the items in each of the two dimensions. The top box scores indicate the percentage of respondents who indicated a score of either 4 or 5 for each of the items. All the results in these comparisons are discussed in the next section.

4.11.2 Comparison of top box and bottom box scores

Top and bottom box scores for each of the 52 items within each of the two dimensions were calculated to analyse the gaps between the current state and
patterns of leadership communication behaviour, and the relative importance and degree of effectiveness of such leadership communication behaviour for the success of strategic alignment in the organisation. Only the items where a 20–30% gap was calculated are highlighted as growth areas in terms of leadership communication behaviour.

### 4.11.3 Comparison of top box and bottom box scores by theme

Top and bottom box scores for each of the 52 items grouped under the 12 leadership communication themes were analysed in terms of importance and effectiveness.

### 4.12 The case study

#### 4.12.1 Introduction

The information provided for this case study served as the background for a diagnostic investigation into the management’s perceptions and experience of the role of leadership communication and its relation to strategic alignment, and the relation between strategic alignment and the performance of the organisation.

#### 4.12.2 The organisation: strategic intent, life cycle and structure

The SA JSE-listed organisation is a FMCG company and operates in the food and beverage industry. It has a staff complement of nearly 5 000 permanent employees across South Africa, Africa and internationally. The organisation was formed through a merger in 2001, and has enjoyed a compound growth in revenue, year on year, of 17.4% and has returned almost R4,6 billion in dividends to its shareholders. The organisation’s turnover as at June 2013 was R15,9 billion.

The organisation’s strategic objective since the merger in 2001 has been to be an admired player with an established global footprint and regional strengths, but at the same time remaining focused and expanding its efforts in the local market.

Its vision is to be a great company rooted in South Africa, crafting leading brands for consumers to enjoy across the world, and its values are:

- A sense of ownership
- Entrepreneurial spirit
• Performance-driven culture
• Customer and consumer market orientation
• Respect for the individual
• A global mindset responsive to change

The organisation’s strategic aspirations are to further sustain its strong position in the local market, including Botswana, Lesotho, Namibia and Swaziland, and to expand its position in the global market. It also strives to be the leading company in the rest of Africa (excluding the South African Customs Union) for its brands and to maximise shareholder value. In terms of innovation, the organisation aims to have a balanced portfolio of incremental and breakthrough innovation in order to grow its business and adapt to changing market demands. Its corporate sustainability aspirations are to drive transformation, and to reduce the use of natural resources such as water, electricity, and energy. Good corporate citizenship are driven through its stakeholder engagements, emphasising the need for an integrated approach to achieve the ‘shared value’ that will ultimately achieve the ambitious aims of the South African government’s National Development Plan 2030.

Since the merger in 2001, the organisation’s corporate strategy has been adapted a few times as the company positioned itself for organic growth and growth by acquisition. During June 2010, the organisation was regionally restructured in order to support its strategic objective of becoming a recognised player with an established global footprint and regional strengths, but at the same time remaining focused to expand its efforts in the local market.

The diagram on the following page illustrates the corporate strategy journey from 2001–2013.
The regional restructuring resulted in the organisation’s dividing its activities across two regions, namely, southern Africa (South Africa, Botswana, Lesotho, Namibia, and Swaziland) and the Group (the balance of the African continent and all other parts of the world), with each having its own leadership platform and a corporate services unit to support the organisation’s functional units. The southern Africa region is managed by an southern Africa Chief Executive Officer and six other leadership positions for the different business units, such as Director southern Africa Marketing, Director southern Africa Distribution, Director southern Africa Sales, southern Africa Human Resources Manager, and southern Africa Finance Manager. The Group (including the rest of Africa, international operations, and support services) is managed by a managing director and a director for each segment (types of product categories), also a director for each of the following business units: Human Resources (also responsible for company secretarial duties), Global Marketing, International Business, Finance (also responsible for Information Technology), Secondary Production (Operations), Primary Production and Corporate Affairs.

Source: Organisation’s strategic information, 2014
The organisation implements a segment approach (product categories’ approach) and is decentralised across various geographical areas, where administration, finance, human resources, communication, marketing, production, sales and distribution activities take place.

In order to sustain success, the organisation has had to refresh its corporate strategy continuously as consumers’ needs and preferences, as well as socio-economic conditions, have changed. This structure therefore remained in place from July 2010 – June 2014, but the process of refreshing the corporate strategy started in February 2014. This led to the restructuring of the management board (top management) and some business units within the organisation.

At the same time a change management process was implemented in one of the business units in the southern African region, which led to a reorganisation of people and the brands that they were accountable for. At the time of the study, many changes in the corporate strategy and top structure were announced, and considerable uncertainty amongst employees was detected about how these changes could affect their roles and reporting lines. There were also business units which were not affected by these changes; the study therefore focused only on these unaffected regions and business units within the organisation.

This study is therefore applicable to southern Africa’s distribution and marketing business units and the Group’s human resources, finance, information technology, operations, corporate affairs, and international operations (excluding Scotland and France). Leadership communication and strategic alignment in this organisation can be described as a process in its infant stage of development. Small steps have been taken by the corporate communications function since 2010 to make top management more visible and to channel strategic messages regarding financial performance and any other organisational developments to employees. During 2012, some leaders requested that a more structured process for corporate strategy communication be developed and more steps were taken in this direction, but huge gaps remained. Since March 2014, when the assessment of the current status of the wellbeing of the organisation was done, more communication was channelled from the leadership to the employees about the current health of the organisation, what needed be done to refresh the corporate strategy, the reasons for these changes, and where the refreshed strategy aimed to take the organisation.
One can therefore assume that this process is viewed by the organisation’s leaders as necessary and important in order to achieve strategic alignment of employees with the organisation’s goals, but whether the leaders understand completely what is required to embed such a communication and execution culture, is not clear. It is also not known whether the management complement in the organisation completely understand the ‘bigger picture’ for the organisation and how they and their teams are expected to contribute to it.

It is therefore important to position this study as a baseline study in light of the organisation’s focus on continuous improvement, and use the opportunity to close the gaps which could be identified in the findings. The corporate communications function has already identified that strategic internal communication aimed at creating strategic alignment that improves the execution of the corporate strategy in an inspiring way, needs to be more formalised and become part of the fibre of the organisation for the organisation to reap the benefits of a more aligned and motivated workforce.

The focus on leadership communication as a company-wide strategic internal communication approach needs to be strengthened to ensure improved, strategically aligned understanding and behaviour.

Senior managers will be able to align followers and ensure that managers at middle and junior levels of the organisation are more aware of the performance and direction of the company, and the various challenges and opportunities it faces. This way, they can bring the various business units in line with the strategic goals of the organisation and improve understanding of the direction of the organisation and be able to influence behaviour to ensure alignment.

4.12.3 Reasons for strengthening leadership communication in this organisation

- To entrench a culture of strategic internal communication and to continuously improve it.
- To effectively align followers with the strategic direction and goals of the organisation through consistent messages.
- To avoid the distortion of key messages.
- To help followers understand the big picture, how and where they fit in, and what their contribution is towards achieving the organisation’s goals.
- To really engage with followers, win their hearts and minds, and contribute to the improvement of morale and organisational performance.

Strengthening leadership communication for strategic alignment remains challenging, as the risk of distortion and misaligned messages do exist. Not all managers are always excited about the direction of the organisation, while some may have misgivings about how they have been affected by the process. One can, however, work towards minimising this risk through obtaining leadership’s commitment or buy-in to the leadership communication approach. This may be achieved by leadership’s willingness to encourage and motivate senior managers to take the lead and to keep the strategic conversation at the top of the agenda at the forums where discussions take place and decisions are made. This approach could result in better understanding and execution of the strategy, and in turn, in organisational success.

4.13 Chapter conclusion

The Chapter reflected the study’s strategy, design and methodology. Aspects such as sampling procedure, data collection and statistical procedure were also described. History about the organisation, organisational structure and its strategic intent as well as reasons for strengthening the leadership communication within the organisation was also explained.

In Chapter 5, the research strategy, design and methodology selected for this study were tested and the results are reflected in the findings of the research.
5.1 Background and introduction

This case study executed in a JSE-listed South African company aimed to determine the role effective leadership communication plays in achieving strategic alignment, which has a direct influence on how well employees will execute the organisation’s strategy. It therefore studied the leadership communication behaviour within this company with senior, middle and junior managers within the business units where restructuring did not take place at the time of the study.

The study explored the degree of importance and effectiveness of leadership communication in achieving strategic alignment, and how certain elements of leadership communication play a role in achieving strategic alignment in an organisation which can influence the effectiveness of strategic execution. The study determined the respondents’ perceptions of the current state and patterns of leadership communication behaviour in the organisation, and their perceptions of the importance of elements of leadership communication behaviour for the success of strategic alignment in the organisation.

The study also aimed to measure and analyse the gaps between the respondents’ perceptions of the current state and patterns of leadership communication behaviour, and their perceptions of the relative importance of such leadership communication behaviour for the success of strategic alignment in the organisation. This provided a better understanding of the types of shortcomings that exist and the improvements that could be made in order to close the identified gaps. This was also an opportunity to determine how the organisation could move closer to the ideal level of execution of leadership communication and strategic alignment to achieve the desired organisational results.

5.2 Findings

5.2.1 Comparison of top box scores by item and by dimension

As indicated above, top box percentages were calculated for each of the items in each of the two dimensions in the tables below. A gap analysis between the two dimensions: ‘importance’ and ‘effectiveness’ of selected items is shown.
Table 5.1 below highlights all 52 items representative of employees’ perceptions of the current state and patterns of leadership communication behaviour and the relative importance of such leadership communication behaviour for the success of strategic alignment in the organisation.

Table 5.1: Gaps between top box scores for perceived importance and effectiveness of leadership communication items

<table>
<thead>
<tr>
<th>Leadership Communication Items</th>
<th>Dimension 1: Importance</th>
<th>Dimension 2: Effectiveness</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. In our work area we are aware of the future plans, the ‘bigger picture’ of the company</td>
<td>90.7</td>
<td>64.6</td>
<td>26.1</td>
</tr>
<tr>
<td>2. We know how our work area fits into the bigger picture</td>
<td>91.3</td>
<td>71.1</td>
<td>20.2</td>
</tr>
<tr>
<td>3. We know what people in other divisions do</td>
<td>78.8</td>
<td>52.5</td>
<td>26.3</td>
</tr>
<tr>
<td>4. We know what our role is in making the organisation a successful business</td>
<td>93.0</td>
<td>74.3</td>
<td>18.7</td>
</tr>
<tr>
<td>5. We receive regular feedback on the organisation’s financial and business performance</td>
<td>86.6</td>
<td>67.0</td>
<td>19.6</td>
</tr>
<tr>
<td>6. We understand the objectives that the organisation wants to achieve as a business</td>
<td>89.4</td>
<td>65.9</td>
<td>23.5</td>
</tr>
<tr>
<td>7. In my work area we understand ‘where we are’ and ‘where we are heading’ as a business</td>
<td>87.9</td>
<td>68.2</td>
<td>19.7</td>
</tr>
<tr>
<td>8. In my work area our leaders are willing to discuss company matters with employees</td>
<td>81.7</td>
<td>56.3</td>
<td>25.4</td>
</tr>
<tr>
<td>9. We receive frequent updates on changes in the organisation’s business environment</td>
<td>86.8</td>
<td>67.8</td>
<td>19.0</td>
</tr>
<tr>
<td>10. Our managers inspire staff to support change initiatives</td>
<td>86.4</td>
<td>55.4</td>
<td>31.0</td>
</tr>
<tr>
<td>11. In my work area we are able to take the initiative in finding effective ways of achieving our objectives</td>
<td>88.5</td>
<td>66.1</td>
<td>22.4</td>
</tr>
<tr>
<td>12. Our leaders are open to ideas and willing to listen</td>
<td>82.0</td>
<td>53.1</td>
<td>22.4</td>
</tr>
<tr>
<td>13. There are enough opportunities to communicate with leaders</td>
<td>80.2</td>
<td>51.5</td>
<td>28.7</td>
</tr>
<tr>
<td>14. Leaders follow through on what is communicated with employees</td>
<td>80.2</td>
<td>50.0</td>
<td>30.2</td>
</tr>
<tr>
<td>15. Leaders behave as they expect of me</td>
<td>82.8</td>
<td>57.3</td>
<td>25.5</td>
</tr>
<tr>
<td>16. My manager encourages open discussion</td>
<td>87.7</td>
<td>70.1</td>
<td>17.6</td>
</tr>
<tr>
<td>17. Employees have the opportunity to express their concerns and ideas</td>
<td>84.7</td>
<td>56.1</td>
<td>28.6</td>
</tr>
<tr>
<td>18. My manager responds in good time to concerns or suggestions</td>
<td>83.6</td>
<td>63.4</td>
<td>20.1</td>
</tr>
<tr>
<td>19. My manager gives on-going feedback to individuals on how they are performing</td>
<td>80.5</td>
<td>56.3</td>
<td>24.2</td>
</tr>
<tr>
<td>20. My manager explains the links with other departments and guides us not to think in silos</td>
<td>82.0</td>
<td>60.2</td>
<td>21.9</td>
</tr>
<tr>
<td>21. My manager is able to translate the implications of company objectives and goals for the team</td>
<td>86.6</td>
<td>69.5</td>
<td>17.0</td>
</tr>
<tr>
<td>22. My manager withholds information</td>
<td>42.3</td>
<td>32.2</td>
<td>10.2</td>
</tr>
<tr>
<td>23. My manager deliberately distorts information to prevent exposure of undesirable information</td>
<td>39.1</td>
<td>29.5</td>
<td>9.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>24. Management is available to staff to share information</td>
<td>79.6</td>
<td>60.3</td>
<td>19.2</td>
</tr>
<tr>
<td>25. Management demonstrates confidence in employees’ ability to perform well</td>
<td>81.9</td>
<td>60.3</td>
<td>21.5</td>
</tr>
<tr>
<td>26. Management openly discusses the vision for the team</td>
<td>85.8</td>
<td>66.3</td>
<td>19.5</td>
</tr>
<tr>
<td>27. Management creates opportunities for us to improve skills and capabilities by delegating challenging tasks and responsibilities</td>
<td>83.4</td>
<td>61.3</td>
<td>22.1</td>
</tr>
<tr>
<td>28. Direct managers really care about the personal wellbeing of their people</td>
<td>80.0</td>
<td>59.8</td>
<td>20.2</td>
</tr>
<tr>
<td>29. My direct manager is my most valuable source of information in my company</td>
<td>76.4</td>
<td>57.7</td>
<td>18.7</td>
</tr>
<tr>
<td>30. Management ensures that I am well informed about what is going on in the company</td>
<td>81.3</td>
<td>59.0</td>
<td>22.3</td>
</tr>
<tr>
<td>31. There are sufficient levels of constructive dialogue between managers</td>
<td>80.3</td>
<td>49.6</td>
<td>30.7</td>
</tr>
<tr>
<td>32. Managers have sufficient opportunity to interact with top leadership</td>
<td>79.2</td>
<td>50.6</td>
<td>28.6</td>
</tr>
<tr>
<td>33. Top leadership give clarity to managers on the vision for the company</td>
<td>85.8</td>
<td>63.2</td>
<td>22.6</td>
</tr>
<tr>
<td>34. I know what management is trying to achieve</td>
<td>84.1</td>
<td>59.2</td>
<td>24.9</td>
</tr>
<tr>
<td>35. My organisation has a clear organisational strategy</td>
<td>89.8</td>
<td>70.5</td>
<td>19.3</td>
</tr>
<tr>
<td>36. My work goals are clearly defined</td>
<td>90.5</td>
<td>73.6</td>
<td>17.0</td>
</tr>
<tr>
<td>37. There is a clear set of corporate values</td>
<td>93.8</td>
<td>82.4</td>
<td>11.4</td>
</tr>
<tr>
<td>38. My values and my organisation’s values are similar</td>
<td>91.1</td>
<td>82.2</td>
<td></td>
</tr>
<tr>
<td>39. I understand the basis on which my performance is appraised</td>
<td>87.1</td>
<td>65.5</td>
<td>21.6</td>
</tr>
<tr>
<td>40. My rewards are directly related to my performance at work</td>
<td>77.5</td>
<td>44.4</td>
<td>33.1</td>
</tr>
<tr>
<td>41. Different divisions in the company collaborate to make the company successful</td>
<td>87.1</td>
<td>56.5</td>
<td>30.6</td>
</tr>
<tr>
<td>42. Employees and management work together to solve problems</td>
<td>82.6</td>
<td>51.7</td>
<td>30.9</td>
</tr>
<tr>
<td>43. The company involves employees in decisions that impact their day-to-day work</td>
<td>79.6</td>
<td>43.3</td>
<td>36.3</td>
</tr>
<tr>
<td>44. The organisation really inspires the best in me</td>
<td>82.0</td>
<td>57.1</td>
<td>25.0</td>
</tr>
<tr>
<td>45. I am proud to tell others that I am a part of this company</td>
<td>91.7</td>
<td>83.9</td>
<td>7.8</td>
</tr>
<tr>
<td>46. I talk about this organisation as a great place to work</td>
<td>90.5</td>
<td>78.5</td>
<td>12.0</td>
</tr>
<tr>
<td>47. I really care about the fate of this organisation</td>
<td>93.8</td>
<td>88.5</td>
<td>5.3</td>
</tr>
<tr>
<td>48. I am optimistic about the future of the organisation</td>
<td>91.5</td>
<td>79.9</td>
<td>11.6</td>
</tr>
<tr>
<td>49. Employees are valued in this organisation; they are not just seen as ‘another pair of hands’</td>
<td>80.2</td>
<td>50.2</td>
<td>30.0</td>
</tr>
<tr>
<td>50. Employees experience consistency in the information they receive</td>
<td>81.7</td>
<td>54.8</td>
<td>26.9</td>
</tr>
<tr>
<td>51. Information is shared openly and honestly</td>
<td>79.0</td>
<td>51.3</td>
<td>27.7</td>
</tr>
<tr>
<td>52. Employees can align their personal vision and values with those of the organisation</td>
<td>84.3</td>
<td>63.0</td>
<td>21.3</td>
</tr>
</tbody>
</table>
Table 5.2 below highlights the top and bottom box scores for selected items within each of the two dimensions where a gap of more than 25% was calculated between the relative importance and degree of effectiveness of the current state and patterns of leadership communication behaviour.

Table 5.2: Items that more than 90% of respondents rated in the top box of importance

<table>
<thead>
<tr>
<th>Leadership Communication Items</th>
<th>Dimension 1: Importance</th>
<th>Dimension 2: Effectiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is a clear set of corporate values (37)</td>
<td>93,8</td>
<td>82,4</td>
</tr>
<tr>
<td>I really care about the fate of this organisation (47)</td>
<td>93,8</td>
<td>88,5</td>
</tr>
<tr>
<td>We know what our role is in making the organisation a successful business (4)</td>
<td>93,0</td>
<td>74,3</td>
</tr>
<tr>
<td>We know how our work area fits into the bigger picture (2)</td>
<td>91,3</td>
<td>71,1</td>
</tr>
<tr>
<td>In our work area we are aware of the future plans, the ‘bigger picture’ of the company (1)</td>
<td>90,7</td>
<td>64,6</td>
</tr>
<tr>
<td>My work goals are clearly defined (36)</td>
<td>90,5</td>
<td>73,6</td>
</tr>
<tr>
<td>I am proud to tell others that I am a part of this company (45)</td>
<td>91,7</td>
<td>83,9</td>
</tr>
<tr>
<td>I talk about this organisation as a great place to work (46)</td>
<td>90,5</td>
<td>78,5</td>
</tr>
</tbody>
</table>

Table 5.3 highlights the top and bottom boxes for the items clustered under leadership communication themes.

Table 5.3: Items with gaps exceeding 25% difference between importance and effectiveness

<table>
<thead>
<tr>
<th>Growth areas for leadership communication</th>
<th>Dimension 1: Importance</th>
<th>Dimension 2: Effectiveness</th>
<th>Gap Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>In our work area we are aware of the future plans, the ‘bigger picture’ of the company (1)</td>
<td>90,7</td>
<td>64,6</td>
<td>26,2</td>
</tr>
<tr>
<td>We know what people in other divisions do (3)</td>
<td>78,8</td>
<td>52,5</td>
<td>26,3</td>
</tr>
<tr>
<td>In my work area our leaders are willing to discuss company matters with employees (8)</td>
<td>81,7</td>
<td>56,3</td>
<td>25,3</td>
</tr>
<tr>
<td>Our managers inspire staff to support change initiatives (10)</td>
<td>86,4</td>
<td>55,4</td>
<td>31,0</td>
</tr>
<tr>
<td>Our leadership is open to ideas and willing to listen (12)</td>
<td>82,0</td>
<td>53,1</td>
<td>29,0</td>
</tr>
<tr>
<td>There are enough opportunities to communicate with leadership (13)</td>
<td>80,2</td>
<td>51,5</td>
<td>28,6</td>
</tr>
<tr>
<td>Leaders follow through on what is communicated to employees (14)</td>
<td>80,2</td>
<td>50,0</td>
<td>30,2</td>
</tr>
<tr>
<td>Leaders behave as they expect of me (15)</td>
<td>82,8</td>
<td>57,3</td>
<td>25,5</td>
</tr>
<tr>
<td>Employees have opportunities to express their concerns and ideas (17)</td>
<td>84,7</td>
<td>56,1</td>
<td>28,6</td>
</tr>
<tr>
<td>Managers have sufficient opportunity to interact with top leadership (32)</td>
<td>79,2</td>
<td>50,6</td>
<td>28,6</td>
</tr>
<tr>
<td>Item</td>
<td>Rating</td>
<td>Importance</td>
<td>Effectiveness</td>
</tr>
<tr>
<td>---------------------------------------------------------------------</td>
<td>--------</td>
<td>------------</td>
<td>---------------</td>
</tr>
<tr>
<td>I know what management is trying to achieve (34)</td>
<td>84.1</td>
<td>59.2</td>
<td>24.9</td>
</tr>
<tr>
<td>My rewards are directly related to my performance at work (40)</td>
<td>77.5</td>
<td>44.4</td>
<td>33.1</td>
</tr>
<tr>
<td>Different divisions in the company collaborate to make the company successful (41)</td>
<td>87.1</td>
<td>56.5</td>
<td>30.6</td>
</tr>
<tr>
<td>Employees and management work together to solve problems (42)</td>
<td>82.6</td>
<td>51.7</td>
<td>30.9</td>
</tr>
<tr>
<td>The organisation really inspires the best in me (44)</td>
<td>82.0</td>
<td>57.1</td>
<td>25.0</td>
</tr>
<tr>
<td>Employees are valued in this organisation, they are not just seen as ‘another pair of hands’ (49)</td>
<td>80.2</td>
<td>50.2</td>
<td>30.0</td>
</tr>
<tr>
<td>Employees experience consistency in the information they receive (50)</td>
<td>81.7</td>
<td>54.8</td>
<td>26.9</td>
</tr>
<tr>
<td>Information is shared openly and honestly (51)</td>
<td>79.0</td>
<td>51.3</td>
<td>27.7</td>
</tr>
</tbody>
</table>

All the items were rated higher in importance than effectiveness. The gaps between these two dimensions indicate that more work should be done within the organisation to improve leadership communication. The consistently lower rating for effectiveness could probably be attributed to the organisation’s strong hierarchical structure. The organisation’s centralised leadership structure can be a barrier to the effective dissemination of information. Centralised authority can influence the frequency of information sharing and the consistency of messages, and can adversely affect the alignment of all managers across regions and divisions if a well-developed leadership communication plan is not implemented. This could result in managers focusing more on the operational day-to-day activities and not enough on the strategic direction of the organisation, that is, how the roles of the division, team and employees fit into this ‘bigger picture’. It can therefore mean that managers do not understand what it means to be a ‘communicating leader’ and how to foster a leader-follower relationship with their team members to ensure that they are strategically aligned with the goals of the organisation.

Initiatives such as dedicated leadership communication processes and platforms, as well as leadership communication training for line managers, can be considered in order to create a better understanding of the role and benefits of effective leadership communication and how to implement these successfully.

Items rated as important for the organisation to achieve its objectives are aspects such as commitment and values, pride in the organisation and personal association, strategic alignment in terms of employees’ knowing how their division fits into the bigger picture of the organisation, what their role is in the success of the organisation,
knowledge of the future plans of the organisation, and that their work goals are clearly defined.

Care for the organisation and commitment to the organisation are aspects which are strongly entrenched within the organisation, as the percentages reflect a rather small gap between the two dimensions for these items. The gaps for the other items are larger in terms of performance, and therefore reflect a lack of employee role and work goal clarification, and individual and divisional alignment with future plans.

Table 5.3 highlights the following growth areas in terms of the the gaps between importance and effectiveness. Only the leadership communication areas where the largest gaps were recorded are discussed in terms of certain leadership communication themes.

Item 10 relates to the theme: Change communication. This gap indicates that employees do not feel inspired by management to support initiatives for change. This can be attributed to an authoritative leadership style that does not empower employees to take initiative to do things differently, but to execute tasks as they are told to do. Management should therefore allow employees to explore different ways of achieving their objectives.

Item 12 and 14 relate to the theme: Perceptions of my leader. These gaps indicate that the leadership communication style needs to be more supportive in terms of their ability to listen to employees and to be more open to new ideas. It also shows that leaders have to do more to act on their promises, meaning that they should follow through on the decisions made.

Item 30 relates to the theme: Management meetings. The gap indicates that management do not have enough opportunity to interact with top leadership. More opportunities for constructive dialogue can be created between management and top leadership so that they are better informed about company matters and able to share strategic vision information.

Item 40 relates to the theme: Alignment of people context. This gap indicates that employees’ performance and rewards are not properly aligned. This means that the employee performance measurement system lacks alignment with organisational,
divisional and individual performance and rewards congruent with strategic objectives.

Items 41 and 44 relate to the theme: Sense of community. These gaps indicate that there is a lack of collaboration between divisions so that organisational alignment can be strengthened to ensure improved execution. The perception is also that management and team members do not work closely together to solve problems.

Item 49 relates to the theme: Personally valued (as an individual) and trusted (open communication channels). This gap indicates that more can be done to make employees feel valued through stronger alignment with the vision, and contextualising the importance of the individual’s role in the success of the organisation and showing appreciation.

5.2.2 Comparison of top box and bottom box scores by leadership communication theme

Top and bottom box scores for each of the 52 items grouped under 11 leadership communication themes were analysed in terms of importance and effectiveness.

Table 5.4: Theme 1: Strategic alignment ‘big picture’

<table>
<thead>
<tr>
<th>Leadership Communication Items</th>
<th>Dimension 1: Importance</th>
<th>Dimension 2: Effectiveness</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>In our work area we are aware of the future plans, the ‘bigger picture’ of the company (1)</td>
<td>90,7</td>
<td>64,6</td>
<td>26,1</td>
</tr>
<tr>
<td>We know how our work area fits into the bigger picture (2)</td>
<td>91,3</td>
<td>71,1</td>
<td>20,2</td>
</tr>
<tr>
<td>We know what people in other divisions do (3)</td>
<td>78,8</td>
<td>52,5</td>
<td>26,3</td>
</tr>
<tr>
<td>We know what our role is in making the organisation a successful business (4)</td>
<td>93,0</td>
<td>74,3</td>
<td>18,7</td>
</tr>
<tr>
<td>We receive regular feedback on the organisation’s financial and business performance (5)</td>
<td>86,6</td>
<td>67,0</td>
<td>19,6</td>
</tr>
<tr>
<td>We understand the objectives that the organisation wants to achieve as a business (6)</td>
<td>89,4</td>
<td>65,9</td>
<td>23,5</td>
</tr>
<tr>
<td>In my work area we understand ‘where we are’ and ‘where we are heading’ as a business. (7)</td>
<td>87,9</td>
<td>68,2</td>
<td>19,7</td>
</tr>
</tbody>
</table>

These gaps indicate that there is evidence of a lack of shared strategic direction because employees do not know what people in other divisions do and how they fit into the bigger picture of the organisation. This indicates a silo approach within the organisation, which reflects a lack of cross-functional cooperation and shared goals. More work can be done around communicating the strategic direction of the
organisation and its objectives, and assisting employees to see the ‘big picture’ of the organisation. Knowledge of a shared vision and how it will be achieved reinforces goal-orientated behaviour and it makes role clarification possible.

Table 5.5: Theme 2: Change communication

<table>
<thead>
<tr>
<th>Leadership Communication Items</th>
<th>Dimension 1: Importance</th>
<th>Dimension 2: Effectiveness</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>In my work area our leaders are willing to discuss company matters with employees. (8)</td>
<td>81,7</td>
<td>56,3</td>
<td>25,4</td>
</tr>
<tr>
<td>We receive frequent updates on changes in the organisation’s business environment (9)</td>
<td>86,8</td>
<td>67,8</td>
<td>19,0</td>
</tr>
<tr>
<td>Our managers inspire staff to support change initiatives (10)</td>
<td>86,4</td>
<td>55,4</td>
<td>31,0</td>
</tr>
<tr>
<td>In my work area we are able to take the initiative in finding effective ways of achieving our objectives (11)</td>
<td>88,5</td>
<td>66,1</td>
<td>22,4</td>
</tr>
</tbody>
</table>

These gaps indicate the importance of open communication channels shared by all employees. Through communication that is shared openly, honestly and consistently, employees are able to align their personal vision and values with those of the organisation, enabling them to share the same strategic direction. It also shows the importance of management to allow them to take personal authority, thus empowering them to develop change initiatives in finding effective ways of achieving their objectives.

Table 5.6: Theme 3: Perceptions of my leader

<table>
<thead>
<tr>
<th>Leadership Communication Items</th>
<th>Dimension 1: Importance</th>
<th>Dimension 2: Effectiveness</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our leaders are open to ideas and willing to listen (12)</td>
<td>82,0</td>
<td>53,1</td>
<td>29,0</td>
</tr>
<tr>
<td>There are enough opportunities to communicate with leaders (13)</td>
<td>80,2</td>
<td>51,5</td>
<td>28,7</td>
</tr>
<tr>
<td>Leaders follow through on what is communicated with employees (14)</td>
<td>80,2</td>
<td>50,0</td>
<td>30,2</td>
</tr>
<tr>
<td>Leaders behave as they expect of me (15)</td>
<td>82,8</td>
<td>57,3</td>
<td>25,5</td>
</tr>
</tbody>
</table>

The items relate to the theme: Perceptions of my Leader. The gaps indicate that there is a need for leaders to create more opportunities for dialogue and sharing of strategic information to strengthen alignment. There is also a gap in terms of perceptions of leadership behaviour, which means that leaders will have to do more to show that they are willing to ‘walk the talk’ and that they are committed to act on decisions made.
Table 5.7: Theme 4: Management communication

<table>
<thead>
<tr>
<th>Leadership Communication Items</th>
<th>Dimension 1: Importance</th>
<th>Dimension 2: Effectiveness</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>My manager encourages open discussion (16)</td>
<td>87,7</td>
<td>70,1</td>
<td>17,6</td>
</tr>
<tr>
<td>Employees have opportunity to express their concerns and ideas (17)</td>
<td>84,7</td>
<td>56,1</td>
<td>28,6</td>
</tr>
<tr>
<td>My manager responds in good time to concerns or suggestions (18)</td>
<td>83,6</td>
<td>63,4</td>
<td>20,1</td>
</tr>
<tr>
<td>My manager gives on-going feedback to individuals on how they are performing (19)</td>
<td>80,5</td>
<td>56,3</td>
<td>24,2</td>
</tr>
<tr>
<td>My manager explains the links with other departments and guides us not to think in silos (20)</td>
<td>82,0</td>
<td>60,2</td>
<td>21,9</td>
</tr>
<tr>
<td>My manager is able to translate the implications of company objectives and goals for the team (21)</td>
<td>86,6</td>
<td>69,5</td>
<td>17,0</td>
</tr>
<tr>
<td>My manager withholds information (22)</td>
<td>42,3</td>
<td>32,2</td>
<td>10,2</td>
</tr>
<tr>
<td>My manager deliberately distorts information to prevent exposure of undesirable information (23)</td>
<td>39,1</td>
<td>29,5</td>
<td>9,6</td>
</tr>
</tbody>
</table>

These items relate to the theme: Management communication. This communication refers to on-going interactive personal and group communication between management/managers and employees. These gaps indicate that the way in which management communication takes place does not provide enough opportunity to express concerns and ideas. This means that the communication environment does not encourage employees to openly share information. The items respondents consistently rated low in importance and effectiveness relate to the distortion and withholding of information. These gaps indicate that transparency in communication between management/managers and employees can be improved, but that it is not currently a major concern, which contradicts the above-mentioned concern about not being able to discuss matters openly.

Table 5.8: Theme 5: Trust in direct management

<table>
<thead>
<tr>
<th>Leadership Communication Items</th>
<th>Dimension 1: Importance</th>
<th>Dimension 2: Effectiveness</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management is available to staff to share information (24)</td>
<td>79,6</td>
<td>60,3</td>
<td>19,2</td>
</tr>
<tr>
<td>Management demonstrates confidence in employees’ ability to perform well (25)</td>
<td>81,9</td>
<td>60,3</td>
<td>21,5</td>
</tr>
<tr>
<td>Management openly discusses the vision for the team (26)</td>
<td>85,8</td>
<td>66,3</td>
<td>19,5</td>
</tr>
<tr>
<td>Management creates opportunities for us to improve skills and capabilities by delegating challenging tasks and responsibilities to</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct managers really care about the personal well-being of their people (28)</td>
<td>80,0</td>
<td>59,8</td>
<td>20,2</td>
</tr>
<tr>
<td>My direct manager is my most valuable source of information in my company (29)</td>
<td>76,4</td>
<td>57,7</td>
<td>18.7</td>
</tr>
</tbody>
</table>
These items relate to the theme: Trust in direct management. These items indicate the importance of accessibility to and support of direct managers in creating opportunities for employees to develop themselves and feel appreciated. The largest gaps recorded are for the items referring to competency-based trust and care for the individual. Management can improve these areas through empowering employees so that more confidence can be displayed through the delegation of challenging tasks. Management also needs to create an environment where they really engage with employees to show that they care.

Table 5.9: Theme 6: Management meetings

<table>
<thead>
<tr>
<th>Leadership Communication Items</th>
<th>Dimension 1: Importance</th>
<th>Dimension 2: Effectiveness</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management ensures that I am well informed about what is going on in the company (30)</td>
<td>81.3</td>
<td>59.0</td>
<td>22.3</td>
</tr>
<tr>
<td>There are sufficient levels of constructive dialogue between managers (31)</td>
<td>80.3</td>
<td>49.6</td>
<td>30.7</td>
</tr>
<tr>
<td>Managers have sufficient opportunity to interact with top leadership (32)</td>
<td>79.2</td>
<td>50.6</td>
<td>28.6</td>
</tr>
<tr>
<td>Top leadership give clarity to managers on the vision for the company (33)</td>
<td>85.8</td>
<td>63.2</td>
<td>22.6</td>
</tr>
</tbody>
</table>

The largest gaps relate to a lack of meaningful dialogue between managers at various levels and the lack of sufficient opportunity to engage with top leadership. Creating more opportunities for managers and top leadership to engage more effectively will strengthen alignment with shared goals, shared vision and successful execution of strategy.

Table 5.10: Theme 7: Creating meaning in the organisation

<table>
<thead>
<tr>
<th>Leadership Communication Items</th>
<th>Dimension 1: Importance</th>
<th>Dimension 2: Effectiveness</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>I know what management is trying to achieve (34)</td>
<td>84.1</td>
<td>59.2</td>
<td>24.9</td>
</tr>
<tr>
<td>My organisation has a clear organisational strategy (35)</td>
<td>89.8</td>
<td>70.5</td>
<td>19.3</td>
</tr>
<tr>
<td>My work goals are clearly defined (36)</td>
<td>90.5</td>
<td>73.6</td>
<td>17.0</td>
</tr>
<tr>
<td>There is a clear set of corporate values (37)</td>
<td>93.8</td>
<td>82.4</td>
<td>11.4</td>
</tr>
<tr>
<td>My values and my organisation's values are similar (38)</td>
<td>91.1</td>
<td>82.2</td>
<td>8.9</td>
</tr>
</tbody>
</table>
The last two items relate to the ability of employees to identify with the ‘soul’ of the organisation through shared meaning. These two items have the smallest gaps and are rated the highest in importance. Knowledge of the corporate values and the strong personal alignment with these values is evidence of an environment where employees understand the corporate culture and behavioural norms, and that they are strongly aligned with them.

Table 5.11: Theme 8: Alignment of people context

<table>
<thead>
<tr>
<th>Leadership Communication Items</th>
<th>Dimension 1: Importance</th>
<th>Dimension 2: Effectiveness</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>I understand the basis on which my performance is appraised (39)</td>
<td>87,1</td>
<td>65,5</td>
<td>21,6</td>
</tr>
<tr>
<td>My rewards are directly related to my performance at work (40)</td>
<td>77,5</td>
<td>44,4</td>
<td>33,1</td>
</tr>
</tbody>
</table>

The last item has the largest gap and reflects the misalignment between employee performance and their rewards. It seems as if employees understand their key performance areas, but their performance in these areas is not linked to how they are rewarded. This misalignment can have an adverse effect on strategy execution, as strategy measurement, and divisional, team and individual incentives, should be aligned to ensure optimal execution.

Table 5.12: Theme 9: Sense of community

<table>
<thead>
<tr>
<th>Leadership Communication Items</th>
<th>Dimension 1: Importance</th>
<th>Dimension 2: Effectiveness</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Different divisions in the company collaborate to make the company successful (41)</td>
<td>87,1</td>
<td>56,5</td>
<td>30,6</td>
</tr>
<tr>
<td>Employees and management work together to solve problems (42)</td>
<td>82,6</td>
<td>51,7</td>
<td>30,9</td>
</tr>
</tbody>
</table>

These items relate to a sense of community within an organisation. The items show large gaps which indicate that there is a lack of collaboration (building strong cross-functional relationships) between divisions which can, if nurtured, strengthen organisational alignment and ensure improved execution of strategy. The perception is also that management and team members do not work close together around solving problems.
Table 5.13: Theme 10: Engagement, commitment, trust and inspiration

<table>
<thead>
<tr>
<th>Leadership Communication Items</th>
<th>Dimension 1: Importance</th>
<th>Dimension 2: Effectiveness</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organisation really inspires the best in me (44)</td>
<td>82.0</td>
<td>57.1</td>
<td>25.0</td>
</tr>
<tr>
<td>I am proud to tell others that you are a part of this company (45)</td>
<td>91.7</td>
<td>83.9</td>
<td>7.8</td>
</tr>
<tr>
<td>I talk about this organisation as a great place to work (46)</td>
<td>90.5</td>
<td>78.5</td>
<td>12.0</td>
</tr>
<tr>
<td>I really care about the fate of this organisation (47)</td>
<td>93.8</td>
<td>88.5</td>
<td>5.3</td>
</tr>
<tr>
<td>I am optimistic about the future of the organisation (48)</td>
<td>91.5</td>
<td>79.9</td>
<td>11.6</td>
</tr>
</tbody>
</table>

The last four items were rated high in importance and show that employees feel genuinely committed to and truly care about the organisation. They are optimistic about the future but they have a need to feel more inspired so that they can deliver their best. More work around acknowledgement and participation can be done to strengthen employee alignment with organisational aspirations.

Table 5.14: Theme 11: Personally valued (as an individual) and trusted (open communication channels)

<table>
<thead>
<tr>
<th>Leadership Communication Items</th>
<th>Dimension 1: Importance</th>
<th>Dimension 2: Effectiveness</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees are valued in this organisation, they are not just seen as 'another pair of hands' (49)</td>
<td>80.2</td>
<td>50.2</td>
<td>30.0</td>
</tr>
<tr>
<td>Employees experience consistency in the information they receive (50)</td>
<td>81.7</td>
<td>54.8</td>
<td>26.9</td>
</tr>
<tr>
<td>Information is shared openly and honestly (51)</td>
<td>79.0</td>
<td>51.3</td>
<td>27.7</td>
</tr>
<tr>
<td>Employees can align their personal vision and values with those of the organisation (52)</td>
<td>84.3</td>
<td>63.0</td>
<td>21.3</td>
</tr>
</tbody>
</table>

These items relate to being personally valued and trusted as an individual and to open communication channels shared by all employees. Through information that is shared openly, honestly and consistently, employees are able to align their personal vision and values with those of the organisation, enabling them to share the same strategic direction.

The importance of shared communication also seems to enhance feelings of self-worth and the acknowledgement of individual contributions. The respondents rated these items as relatively important, but they also show large gaps, meaning that open
communication, consistent messages and appreciation for employees’ contributions need some work to strengthen strategic alignment.

5.3 Conclusion

The case study revealed that aspects such as commitment to the organisation and values, strategic alignment in terms of employees’ knowing how their division fits into the bigger picture of the organisation, what their role is in the success of the organisation, knowledge of the future plans of the organisation, and that their work goals are clearly defined, are important for the organisation to achieve its objectives. Values, commitment to and care for the organisation are important to the employees and they also perceive these to be very effectively upheld within the organisation. Employees understand the corporate culture and behavioural norms, and they are strongly aligned with these.

There is also great pride in the organisation, and positive personal association with the organisation. These are truly great characteristics of an organisation’s ‘soul’ and can be built on to enhance the strategic alignment of employees to the benefit of both the employee and the organisation.

The areas that pose a challenge for the organisation to achieve strategic alignment include the following:

- Lack of shared strategic direction, since employees do not know what people in other divisions do and how they fit into the bigger picture of the organisation.
- Silo approach within the organisation, which reflects a lack of cross-functional cooperation and shared goals.
- Lack of collaboration and team work around problem solving.
- Lack of employee role and work goal clarification, as well as individual and divisional alignment with future plans.
- Lack of empowerment of employees to take initiative to do things differently.
- Alignment of reward system and performance management.
- Lack of open communication channels shared by all employees.
• Lack of honest conversations and real engagement.

• Lack of leadership’s ‘walking the talk’.

• Acknowledgement of employees and allowing them participation in decision making.

• Lack of meaningful dialogue between managers at various levels.

• Lack of sufficient opportunity for managers to engage with top leadership.

The development of a strategic leadership communication plan and employee engagement strategy will assist the organisation in addressing the identified gaps.
REFERENCES


APPENDIX A

QUESTIONNAIRE
LEADERSHIP COMMUNICATION AND STRATEGIC ALIGNMENT

Instructions:
Please carefully consider each of the items in this questionnaire and then indicate at each item how important do you regard the item to enable you to align your own work and the work of your section or division to the strategic intent of your organisation. At each item please circle any one of the scale options, ranging from 1 = totally UNIMPORTANT on the right and 5 = extremely IMPORTANT on the left. Once you have indicated the relative importance of each item, now please indicate how effective you regard the item to be in your experience of your daily work in your organisation, ranging from 1 = totally INEFFECTIVE and 5 = extremely EFFECTIVE.

<table>
<thead>
<tr>
<th>Statement</th>
<th>How important do you regard the item to enable you to align your own work and the work of your section or division to the strategic intent of your organisation?</th>
<th>How effective do you regard the item to be in your experience of your daily work in your organisation?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Extremely important</td>
<td>Totally unimportant</td>
</tr>
<tr>
<td>1. In our work area we are aware of the future plans, the ‘bigger picture’ of the company</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>2. We know how our work area fits into the bigger picture</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>3. We know what people in other divisions do</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>4. We know what our role is in making the organisation a successful business</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>5. We receive regular feedback on the organisation’s financial and business performance</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>6. We understand the objectives that the organisation wants to achieve as a business</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>7. In my work area we understand ‘where we are’ and ‘where we are heading’ as a business</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>8. In my work area our leaders are willing to discuss company matters with employees</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>9.</td>
<td>We receive frequent updates on changes in the organisation’s business environment</td>
<td>5</td>
</tr>
<tr>
<td>10.</td>
<td>Our managers inspire staff to support change initiatives</td>
<td>5</td>
</tr>
<tr>
<td>11.</td>
<td>In my work area we are able to take the initiative in finding effective ways of achieving our objectives</td>
<td>5</td>
</tr>
<tr>
<td>12.</td>
<td>Our leaders are open to ideas and willing to listen</td>
<td>5</td>
</tr>
<tr>
<td>13.</td>
<td>There are enough opportunities to communicate with leaders</td>
<td>5</td>
</tr>
<tr>
<td>14.</td>
<td>Leaders follow through on what is communicated with employees</td>
<td>5</td>
</tr>
<tr>
<td>15.</td>
<td>Leaders behave as they expect of me</td>
<td>5</td>
</tr>
<tr>
<td>16.</td>
<td>My manager encourages open discussion</td>
<td>5</td>
</tr>
<tr>
<td>17.</td>
<td>Employees have opportunities to express their concerns and ideas</td>
<td>5</td>
</tr>
<tr>
<td>18.</td>
<td>My manager responds in good time to concerns or suggestions</td>
<td>5</td>
</tr>
<tr>
<td>19.</td>
<td>My manager gives on-going feedback to individuals on how they are performing</td>
<td>5</td>
</tr>
<tr>
<td>20.</td>
<td>My manager explains the links with other departments and guides us not to think in silos</td>
<td>5</td>
</tr>
<tr>
<td>21.</td>
<td>My manager is able to translate the implications of company objectives and goals for the team</td>
<td>5</td>
</tr>
<tr>
<td>22.</td>
<td>My manager is able to translate the implications of company objectives and goals for the team</td>
<td>5</td>
</tr>
<tr>
<td>23.</td>
<td>My manager withholds information</td>
<td>5</td>
</tr>
<tr>
<td>24.</td>
<td>My manager deliberately distorts information to prevent exposure of undesirable information</td>
<td>5</td>
</tr>
<tr>
<td>25.</td>
<td>Management is available to staff to share information</td>
<td>5</td>
</tr>
<tr>
<td>26.</td>
<td>Management openly discusses the vision for the team</td>
<td>5</td>
</tr>
<tr>
<td>27.</td>
<td>Management creates opportunities for us to improve skills and capabilities by delegating challenging tasks and responsibilities to us</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Score 1</td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------------------------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>28.</td>
<td>Direct managers really care about the personal wellbeing of their people</td>
<td>5</td>
</tr>
<tr>
<td>29.</td>
<td>My direct manager is my most valuable source of information in my company</td>
<td>5</td>
</tr>
<tr>
<td>30.</td>
<td>Management ensures that I am well informed about what is going on in the company</td>
<td>5</td>
</tr>
<tr>
<td>31.</td>
<td>There are sufficient levels of constructive dialogue between managers</td>
<td>5</td>
</tr>
<tr>
<td>32.</td>
<td>Managers have sufficient opportunity to interact with top leadership</td>
<td>5</td>
</tr>
<tr>
<td>33.</td>
<td>Top leadership give clarity to managers on the vision for the company</td>
<td>5</td>
</tr>
<tr>
<td>34.</td>
<td>I know what management is trying to achieve</td>
<td>5</td>
</tr>
<tr>
<td>35.</td>
<td>My organisation has a clear organisational strategy</td>
<td>5</td>
</tr>
<tr>
<td>36.</td>
<td>My work goals are clearly defined</td>
<td>5</td>
</tr>
<tr>
<td>37.</td>
<td>There is a clear set of corporate values</td>
<td>5</td>
</tr>
<tr>
<td>38.</td>
<td>My values and my organisation’s values are similar</td>
<td>5</td>
</tr>
<tr>
<td>39.</td>
<td>I understand the basis on which my performance is appraised</td>
<td>5</td>
</tr>
<tr>
<td>40.</td>
<td>My rewards are directly related to my performance at work</td>
<td>5</td>
</tr>
<tr>
<td>41.</td>
<td>Different divisions in the company collaborate to make the company successful</td>
<td>5</td>
</tr>
<tr>
<td>42.</td>
<td>Employees and management work together to solve problems</td>
<td>5</td>
</tr>
<tr>
<td>43.</td>
<td>The company involves employees in decisions that impact their day-to-day work</td>
<td>5</td>
</tr>
<tr>
<td>44.</td>
<td>The organisation really inspires the best in me</td>
<td>5</td>
</tr>
<tr>
<td>45.</td>
<td>I am proud to tell others that I am a part of this company</td>
<td>5</td>
</tr>
<tr>
<td>46.</td>
<td>I talk about this organisation as a great place to work</td>
<td>5</td>
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<tr>
<td></td>
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<tr>
<td>---</td>
<td>-----------------------------------------------------------------</td>
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</tr>
<tr>
<td>47.</td>
<td>I really care about the fate of this organisation</td>
<td>5</td>
</tr>
<tr>
<td>48.</td>
<td>I am optimistic about the future of the organisation</td>
<td>5</td>
</tr>
<tr>
<td>49.</td>
<td>Employees are valued in this organisation; they are not just seen as 'another pair of hands'</td>
<td>5</td>
</tr>
<tr>
<td>50.</td>
<td>Employees experience consistency in the information they receive</td>
<td>5</td>
</tr>
<tr>
<td>51.</td>
<td>Information is shared openly and honestly</td>
<td>5</td>
</tr>
<tr>
<td>52.</td>
<td>Employees can align their personal vision and values with those of the organisation</td>
<td>5</td>
</tr>
</tbody>
</table>
Dear Ms Bartis

Your dissertation as part of the Magister Technologiae in Public Relations Management at the Cape Peninsula University of Technology relating to EFFECTIVE LEADERSHIP COMMUNICATION AS A KEY ROLE IN THE ACHIEVEMENT OF STRATEGIC ALIGNMENT refers.

Purpose of the study
The purpose of the study is to determine the extent to which leadership communication plays a role in strategic alignment and the role strategic alignment plays in achieving organisational excellence.

Aim and Significance of study
The study aims to determine the degree of importance and effectiveness of leadership communication in achieving strategic alignment as well as the degree of importance and effectiveness of strategic alignment in achieving organisational success as experienced by the managers at the senior, middle and junior management levels within certain business units in this organisation.

Scoping
As agreed with you, the study involves the senior, middle and junior managers within certain business units within the company. The study will not include the management board (top management) and the employees who are at a supervisory level of the organisation. It will also exclude employees who are part of the Bargaining Units. It will also not cover unskilled employees. The study also excludes certain business units which have undergone structural changes at the time of the study. The study therefore focuses on the Southern African Marketing and Distribution business units and the Group’s Operations, Human Resources, Finance, Information Technology, International Operations (excluding operations in Scotland, Taiwan and France) and Corporate Affairs business units.

This letter serves as an approval that you may use the company in your case study, agreeing that the company’s name will not be mentioned in any publications and that the anonymity of the respondents will be respected.

L MALAN
GROUP COMPANY SECRETARY

HOLDING COMPANY / BEHERENDE MAATSKAPPY
PARTICIPANTS’ LETTER OF INVITATION

July 2014

Dear Colleague

I hope this note finds you well. Should you not know me, I would like to briefly introduce myself to you. My name is Heidi Bartis and I am currently employed as Group Manager: Communication, Transformation & Diversity. I am completing a Magister Technologiae in Public Relations Management at the Cape Peninsula University of Technology.

Management has kindly allowed me to use our company as a case study for my dissertation.

Please see the dissertation title, purpose and significance of the study below.

Title of study

EFFECTIVE LEADERSHIP COMMUNICATION AS A KEY ROLE IN THE ACHIEVEMENT OF STRATEGIC ALIGNMENT.

Purpose of the study

The purpose of the study is to determine the extent to which leadership communication plays a role in strategic alignment and the role strategic alignment plays in achieving organisational excellence.

Aim and significance of study

The study aims to determine how important managers within the organisation perceive the role of leadership communication in achieving strategic alignment and how effective they perceive this to be as well as how important and effective they perceive strategic alignment to be in achieving organisational success. The experience and perceptions of managers at the senior, middle and junior management levels within various business units will be evaluated. This study will
serve as a base-line study in assessing the effectiveness and importance of leadership communication and strategic alignment in various business units. The study will be valuable to the organisation as the findings will provide a good foundation for the development of an aligned internal communication strategy aimed at strengthening strategic leadership communication to support alignment with organisational goals which could impact positively on the performance of the organisation.

**Invitation**

I will sincerely appreciate your participation in this study because as a manager at our company you can make a valuable contribution which will assist with the enhancement of strategic internal communication aimed at strengthening leadership communication and strategic alignment within our company. If you wish to participate, please access the link below.

**Procedure**

Please click on the link below and complete this confidential questionnaire. This link is uniquely tied to this survey and cannot be forwarded as this link will not work once forwarded.

**Completion and return of questionnaire**

You are required to complete the survey within the requested time-frame. There are no right or wrong answers. After completion, you must electronically return the questionnaire to the indicated email address by means of clicking on the submit button which will ensure central gathering of data.

**Potential risks and discomforts**

There are no potential risks or discomforts envisaged in this study, other than taking a couple of minutes of your time to complete the survey.

**Payment for participation**

No payment will be made to participants, neither will incentives be offered.
Confidentiality

Any information that is obtained in connection with this study cannot be personally identified with you. The information will remain confidential and will be disclosed only with your permission or as required by law. Your name will not appear anywhere and your responses to the survey cannot be linked to you via the surveys email link. The research will be published in the form of a dissertation.

Identification of investigators

If you have any questions or concerns about the research, please feel free to contact me, Heidi Bartis (Principal Researcher) on 082 8858 520. My Study Supervisor is Prof Gustav Puth at the University of Pretoria.

REQUEST

Should you be willing to complete the survey, I would be very grateful if you would kindly please click on the link to access the survey:

The deadline for completing the survey is 5 August 2014 at 23:59.

Thank you for your participation. Your assistance is sincerely appreciated.

Heidi Bartis
Group Manager: Communication, Transformation and Diversity