

## STRATEGIC MANAGEMENT APPROACHES FOR ENHANCING ORGANIZATIONAL PERFORMANCE: A REVIEW OF EMERGING MODELS AND APPLICATIONS

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### Abstract

In today's dynamic business environment, strategic management serves as the cornerstone of sustainable organizational performance. This review paper synthesizes key concepts, frameworks, and empirical findings related to strategic planning, competitive positioning, resource-based views, and leadership alignment, with a particular emphasis on practices in emerging economies. Drawing insights from a comprehensive paper-based investigation, this review explores how internal capabilities, environmental dynamism, and leadership approaches contribute to long-term firm success. Key challenges, such as digital disruption, misaligned organizational culture, and strategy execution gaps, are also discussed. The article concludes with a research agenda that underscores the need for context-driven strategic agility models.

**KEYWORDS:** Strategic Management, Organizational Performance, Organizational Culture, Strategic Planning, Digital Disruption

### 1.1 INTRODUCTION

Strategic management has emerged as a critical discipline that enables organizations to navigate an increasingly complex, competitive, and dynamic global business landscape. It encompasses the formulation, implementation, and evaluation of cross-functional decisions that help firms achieve long-term objectives while responding effectively to environmental shifts. In a world marked by rapid technological advancement, global crises, and volatile consumer behavior, strategic clarity and execution excellence are no longer optional—they are vital for organizational survival and growth. Firms that adopt a structured approach to strategy—integrating market intelligence, resource alignment, and performance metrics—tend to outperform those with fragmented or reactive management practices. The strategic planning process is not simply about goal-setting but involves creating a shared vision, assessing internal and external environments, and making informed choices that position the firm competitively. Existing literature emphasizes models like Porter's Five Forces (Porter, 1980), which help firms understand industry dynamics, and the Resource-Based View (Barney, 1991), which focuses on leveraging internal capabilities. More recent frameworks, such as Blue Ocean Strategy (Kim & Mauborgne, 2005) and Strategic Agility (Doz & Kosonen, 2010), advocate for differentiation and flexibility in strategy formulation. These models illustrate a shift from static planning toward more adaptive, value-driven approaches. This review, grounded in academic insights and strategic frameworks, aims to synthesize how strategic management is applied across organizations, particularly in emerging economies. It addresses questions such as: How do firms maintain alignment between strategy and execution? What role does leadership play in driving strategic change? How can agility and innovation be embedded into traditional models? By drawing from comprehensive research and integrating contemporary scholarly perspectives, this article offers a panoramic view of strategic management practices that can inform both practitioners and academics seeking to enhance organizational performance.

In the context of strategic management, alignment between internal resources and external opportunities is central to achieving a competitive advantage. The paper underscores the role

of dynamic capabilities—such as innovation, responsiveness, and strategic agility—in enabling firms to reconfigure operations in response to environmental volatility. As global markets become increasingly uncertain due to technological disruption and geopolitical shifts, organizations must transition from static planning models to adaptive strategic frameworks that emphasize resilience, proactive learning, and customer-centric innovation. Another critical insight from the paper is the importance of leadership and organizational culture in strategy execution. Even the most robust strategic plans may fail if leadership does not inspire alignment and commitment at all levels. Strategic leadership fosters a culture of accountability, innovation, and shared vision, empowering teams to translate abstract goals into operational excellence. This aligns with contemporary literature that views leadership not only as a directional force but also as a catalyst for cultural transformation, especially in times of digital transformation or strategic renewal.

Furthermore, the paper emphasizes the strategic role of performance measurement systems, particularly tools like the Balanced Scorecard. These tools provide managers with real-time feedback on both financial and non-financial indicators, allowing for ongoing strategy adjustment. In organizations where strategy is integrated with performance tracking mechanisms, decision-makers are better positioned to course-correct and innovate. This integration supports a shift toward data-informed strategic thinking and underscores the value of aligning key performance indicators (KPIs) with long-term strategic intent.

Strategic agility and resilience are increasingly viewed as critical drivers of organizational performance, particularly in unpredictable environments. The paper underscores how organizations that can sense changes, respond quickly, and adapt strategically are more likely to sustain competitive advantage. This is especially vital in contexts where traditional, rigid planning models fail to account for market disruptions. Strategic agility enables firms to remain proactive, not just reactive, by leveraging internal capabilities and external sensing mechanisms to realign their strategies with evolving demands. A key element highlighted is the role of employee engagement in strategy execution. While many firms excel in planning, the execution phase is often undermined by a lack of workforce involvement and commitment. The paper shows that engaged employees demonstrate stronger alignment with organizational goals, are more willing to take initiative, and contribute creatively to problem-solving. Strategic management, therefore, is not only about top-level planning but also about creating a participatory culture where employees feel empowered to act on the strategy.

Additionally, the research identifies several challenges that hinder effective strategy implementation. These include misalignment between corporate objectives and departmental goals, poor communication across levels, and resistance to change. This paper's findings suggest that organizations must address these barriers by fostering strategic clarity, ensuring that strategic objectives are clearly understood across units, and developing leadership practices that support accountability and collaboration. Lastly, the paper advocates for the integration of dynamic capabilities theory into strategic management practices. It emphasizes that organizations must continuously build, reconfigure, and renew their capabilities to stay relevant. These capabilities—such as innovation management, knowledge sharing, and digital readiness—allow organizations to pivot quickly and take advantage of emerging opportunities. The review positions dynamic capability not just as a theoretical concept but as a practical lens through which firms can evaluate and strengthen their strategy in real time.

## **1.2 METHODOLOGICAL REVIEW**

### **Research Philosophy and Approach**

The study adopts a positivist research philosophy, which asserts that reality is objective and can be examined through empirical observation and statistical analysis. This approach aligns with the nature of the study, which seeks to test pre-formulated hypotheses and examine

causal relationships between constructs such as Strategic Resilience (SR), Strategic Agility (SA), Work Engagement (WE), and Organizational Performance (OP). The deductive research approach further supports this stance by testing theories derived from dynamic capability theory through empirical data analysis.

### **Research Design**

The study employs a quantitative, cross-sectional design. This design is appropriate for capturing a snapshot of variable relationships at a specific point in time and is widely used in strategic management research. The use of structured questionnaires ensures consistency in data collection and enhances the reliability and replicability of the findings. The study prioritizes objectivity, generalizability, and statistical robustness—key features of quantitative methods.

### **Sampling Technique and Population**

A non-probability purposive sampling technique was used to select participants. This method ensured that only medical personnel with direct experience in biomedical research ethics and strategy-related roles in Shenzhen public hospitals were included. The total target population was approximately 4,500 professionals, from which a calculated sample size of 354 was drawn using Krejcie and Morgan's (1970) sample size determination formula. The sample was stratified across five hospitals to ensure representation across roles: doctors, nurses, research staff, and administrative personnel.

### **Data Collection Procedure**

Data collection was carried out through a structured questionnaire, administered both online and in paper formats to accommodate the preferences and availability of medical professionals. Prior to full deployment, a pilot test was conducted to assess the clarity and effectiveness of the instrument. Revisions were made based on feedback to ensure clarity, relevance, and technical functionality. Informed consent was obtained from all participants, and ethical approval was secured from relevant institutional review.

### **Data Analysis Techniques**

Data was analyzed using SPSS and SmartPLS 4 software. The analysis followed a two-step process:

**Measurement Model Evaluation:** Assessing reliability (Cronbach's Alpha, Composite Reliability), convergent validity (Average Variance Extracted), and discriminant validity (Fornell-Larcker and HTMT).

**Structural Model Evaluation:** Using Partial Least Squares Structural Equation Modeling (PLS-SEM) to test relationships among SR, SA, WE, and OP.

SmartPLS was chosen due to its suitability for small samples, ability to handle non-normal data, and its predictive orientation. Bootstrapping procedures were used to assess path coefficients, standard errors, and confidence intervals.

### **Measurement Instruments**

The questionnaire items were adopted from previously validated scales and adapted to the Chinese organizational context. Constructs such as Strategic Agility, Resilience, Work Engagement, and Organizational Performance were measured using Likert-scale items ranging from 1 (strongly disagree) to 5 (strongly agree). The instrument demonstrated high reliability and validity, with all latent variables showing Cronbach's Alpha > 0.89 and AVE > 0.89, confirming strong measurement quality.

## **3.1 KEY THEMES IN STRATEGIC MANAGEMENT**

### ***Strategic Agility and Resilience***

Strategic agility enables organizations to quickly realign resources and operations in response to environmental turbulence, while resilience allows them to withstand and recover from disruptions. These capabilities are increasingly seen as critical components of dynamic

capabilities that foster sustainable competitive advantage (Doz & Kosonen, 2010; Pham & Phuc, 2024). Tien Nguyen et al. (2024) emphasized that agile organizations outperform rigid ones, particularly during digital disruption or crisis. Singh Sengupta et al. (2024) further argued that firms with resilient structures are more adaptable to complexity, enhancing their long-term viability.

This review identifies strategic agility as the organization's capacity to sense, respond, and adapt to dynamic market conditions. Strategic agility allows firms to restructure and reconfigure their internal resources quickly to take advantage of new opportunities or mitigate threats. Agility is closely linked to strategic resilience, which is the firm's ability to recover from disruptions and maintain functional stability. The combination of these traits provides firms a significant edge in volatile environments. Agility also facilitates innovation, reduces operational inertia, and helps firms remain competitive when traditional strategies become obsolete.

### ***Leadership and Strategic Execution***

Leadership is a critical factor in bridging the gap between strategy formulation and execution. Transformational leaders enhance strategic clarity, foster employee alignment, and remove implementation barriers (Balawi, 2023; Antwi, 2024). Mair (2024) emphasized that leadership behaviors grounded in vision and resilience positively impact team performance in NGOs. Sakellarios (2024) supported this view by highlighting the role of strategic leadership in navigating firms through economic uncertainty and operational bottlenecks. Leadership plays a foundational role in translating strategy into performance. The paper highlights the importance of transformational leadership, which inspires and mobilizes employees around shared strategic goals. Strategic leaders foster alignment, encourage innovation, and remove execution barriers across departments. The presence of supportive and visionary leaders enhances organizational commitment, improves team collaboration, and accelerates the implementation of strategy. Effective leadership is also critical for maintaining coherence between long-term plans and day-to-day actions.

### ***Employee Engagement as a Strategic Driver***

Work engagement mediates the relationship between strategy and organizational outcomes. Eldor (2021) proposed a model where high engagement increases strategy responsiveness and execution speed. Gede and Huluka (2024) empirically demonstrated that engaged employees contribute more proactively to achieving strategic objectives. Antwi (2024) confirmed the role of psychological safety and alignment in driving engagement, while Singh Sengupta et al. (2024) tied engagement to sustainable performance in knowledge-based firms. Work engagement is not merely an HR concern; it is presented in the paper as a strategic enabler. Engaged employees show higher motivation, better decision-making, and stronger alignment with the firm's mission. The paper applies the Job Demands-Resources (JD-R) **model** to explain how organizational resources—like managerial support, autonomy, and feedback—can enhance engagement and performance. Strategic initiatives succeed when employees are emotionally and cognitively invested in their roles. The study shows that work engagement mediates the relationship between strategic capabilities (agility, resilience) and performance outcomes.

### ***Challenges in Strategy Implementation***

Implementation failures are frequently caused by organizational barriers such as poor communication, misalignment of goals, and change resistance (Sakellarios, 2024; Mair, 2024). Balawi (2023) highlighted that weak coordination and lack of clarity often derail even well-formulated strategies. Mudara (2024) found that many SMEs underperform not due to planning issues, but due to fragmented strategy execution structures. Antwi (2024) added that accountability and leadership inconsistency further reduce the impact of strategic

initiatives. A recurring theme in the paper is the implementation gap—the divide between strategy formulation and execution. Common challenges include misaligned departmental goals, unclear communication, weak accountability systems, and resistance to change. These barriers dilute the effectiveness of strategic plans. The paper emphasizes that strategy must be continuously communicated, monitored, and adapted. Execution issues are often cultural, not technical, requiring leaders to build trust, reinforce vision, and establish performance metrics that reflect strategic intent.

### ***Performance Measurement and Strategic Control***

A key theme in the paper is the integration of performance measurement systems, particularly the Balanced Scorecard, with strategic planning. Hair et al. (2021) noted that linking performance indicators to strategic goals helps firms stay aligned and data-informed. Sarstedt et al. (2022) emphasized the utility of PLS-SEM in evaluating how well KPIs reflect strategic priorities. AlTaweel and Al-Hawary (2021) demonstrated that effective control systems, combined with innovation capability, lead to measurable improvements in performance. Mudara (2024) also reinforced the value of performance tracking for aligning strategy with execution.

The integration of performance measurement systems, such as the Balanced Scorecard, is seen as essential for aligning strategy and results. The paper stresses that organizations must move beyond financial indicators and track customer satisfaction, process improvements, innovation rates, and employee outcomes. When KPIs are strategically linked to firm objectives, they provide timely feedback for course correction. This theme highlights the importance of strategic control mechanisms, which ensure that organizational actions are consistent with long-term goals.

### **3.2 Organizational Challenges in Strategy Implementation**

Despite the critical role of strategic planning in enhancing organizational performance, many organizations struggle with effectively implementing strategies. This paper identifies several persistent challenges that hinder the realization of strategic goals, even when the formulation stage is well executed.

#### ***Lack of Strategic Alignment***

One of the most frequently cited issues is the misalignment between strategic objectives and departmental or individual performance goals. While top management may establish long-term plans, the lack of cascading these strategies into actionable steps across departments leads to fragmented execution. This misalignment results in wasted resources, delayed outcomes, and confusion among staff regarding their role in strategy realization.

#### ***Inadequate Communication Channels***

Poor internal communication creates information asymmetry, which obstructs clear understanding of strategic priorities. Employees often remain unaware of changes in direction or updates in implementation procedures. Without transparent and consistent communication from leadership, there is a disconnect between planning and frontline execution, weakening motivation and accountability.

#### ***Resistance to Change and Cultural Barriers***

Organizational culture can either facilitate or obstruct strategic implementation. The paper highlights that deeply embedded practices and mindsets within organizations may resist new strategic initiatives, especially when they disrupt established norms. Change resistance, often driven by fear of the unknown, job insecurity, or lack of trust in leadership, slows down transformation processes and reduces effectiveness.



## CONCLUSION

The findings confirm that dynamic capabilities—strategic agility and resilience—significantly enhance organizational performance, particularly when mediated by employee engagement (AlTaweel & Al-Hawary, 2021; Singh Sengupta et al., 2024). These results validate theories by Doz and Kosonen (2010), who posited that agility is crucial for strategic responsiveness, and Gede & Huluka (2024), who showed that emotional commitment among employees leads to higher operational outcomes. Zimuto (2023) further added that dynamic environments require firms to continuously reconfigure resources to stay competitive.

This study has systematically investigated the relationship between strategic resilience (SR), strategic agility (SA), work engagement (WE), and organizational performance (OP) within the framework of dynamic capability theory. The findings confirm that both SR and SA significantly influence OP, with work engagement serving as a crucial mediating variable. This reinforces the notion that organizations must not only develop structural capabilities but also foster a psychologically engaged workforce to fully translate strategy into measurable outcomes. The empirical results support the hypothesis that organizations with high levels of agility and resilience are more likely to perform better, especially when their workforce is actively involved and emotionally committed. These results validate the growing literature that emphasizes the human side of strategy implementation. Furthermore, the results offer practical implications: organizations should build responsive leadership, create feedback loops, and develop training programs that embed agility and resilience into organizational culture. By applying advanced statistical tools (e.g., SmartPLS and SEM), the study has provided a reliable model for examining the dynamic interplay among strategic constructs. It contributes both theoretically—by extending dynamic capability theory to include work engagement—and practically—by guiding strategic management practices in real-world contexts. The robust methodology and high reliability of instruments (Cronbach's Alpha > 0.89) add credibility to the model's predictive power and relevance.

The study opens multiple avenues for future research. First, applying the model to manufacturing or educational sectors would test its generalizability across industries (Mudara, 2024; Ping, 2023). Second, longitudinal studies could reveal how strategic agility and resilience evolve over time and during different crisis phases (Tien Nguyen et al., 2024; Mair, 2024). Third, exploring additional mediators like digital readiness or leadership behavior may enrich the model's explanatory power (Balawi, 2023; Singh Sengupta et al., 2024). Finally, cross-cultural comparative studies could examine how national and organizational culture moderate strategy-performance relationships (Zimuto, 2023; Pham & Phuc, 2024).

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