**Strategy Implementation Effectiveness: A Pedagogical Framework to Bridge the Micro-Macro Divide**

**Abstract**

The various disciplines that comprise Management (strategy, organizational behavior, leadership, organizational theory, human resources, etc.) are all critical elements of effective organization. However, the vast majority of the time, these disciplines are taught independently. This is especially true in terms of the divide between macro concepts, such as business strategy, and micro concepts, such as leadership and organizational behavior. However, it is essential that the students we serve (and in-turn, the future business leaders), are able to understand the link between the two and organize people and processes in such a way to maximize the chances of strategic success. In this session, we share a model of strategy implementation effectiveness that bridges the gap between planning and executing strategy and links key concepts within the realm of organizational behavior to organizational performance: the focus of strategic management.

**Keywords:** Strategy implementation effectiveness; Bridge the micro-macro divide; leadership

**Introduction**

In this proposal we introduce a framework that captures the essence of strategy implementation effectiveness. The framework is based on a broad review and synthesis of strategy implementation research and it captures three dimensions of effective implementation: Managerial capability, managerial actions, and the necessary conditions of effective strategy implementation. The framework also serves as a bridge between the macro-level strategy and micro-level management concepts such as leadership and organizational behavior. In pedagogical terms, this will help strategy instructors highlight the importance of alignment and integration between strategic goals and effective management and organization. Below is an outline of the model:

Figure 1: Framework of Effective Strategy Implementation



Organizational performance is a combination of an effective strategic plan and effective implementation of that plan (Hambrick and Cannella, 1989). However, strategy textbooks show a strong bias in favor of the strategy formulation process and underemphasize the way strategy is effectively implemented within an organization ([Hitt et al., 2017](#_ENREF_77)). As a result, students continue to miss out on a critical element of organizational success and practitioners continue to rank implementation as the most challenging task that they face ([Greer et al., 2017](#_ENREF_62)). This missing link is highlighted in how we introduce and teach the VRIO framework, which captures the essential elements of competitive advantage (Barney, 1991). The VRIO requires that, in order to serve as a source of competitive advantage, an organizational resource, and/or capability, must be *valuable*, *rare*, and *inimitable*. In addition, the organization must be *organized* to take advantage of the advantage. Unfortunately, within strategy textbooks, the “organization” requirement is most often underrepresented or ignored. This is most likely due to its complexity and makeup, which falls squarely within micro-level research and pedagogy. In our experience, the framework of strategy implementation helps explain the nature and composition of effective “organization,” and thus enhances student understanding of necessary ingredients of competitive advantage.

 In our session, we will explain the various elements of our framework, share the methods used to derive the framework, provide an example based on a real-life case, and invite participants to improve the framework and share how it could be used in both strategy and organizational behavior classes. We believe there are many pedagogical benefits to the development and application of the framework, and we will share our experience of applying it within a capstone strategy class. Students, for the first time, are able to link concepts that they learned within their foundational management class, such as leadership, commitment, communication, and culture, to the macro-level concepts such as organizational structure and firm performance.

The model has so far only been applied with undergraduate and MBA-level capstone strategy classes, but it should be equally effective within an OB management class or leadership class to link behaviors at the individual and team levels to organizational performance.

**Theoretical Foundation/Teaching Implications**

The theoretical foundation of the framework is based on an in-depth review and synthesis of the strategy implementation literature performed by Tawse and Tabesh (2021). The research was performed in response to a general lack of understanding of the strategy implementation process and the conditions of implementation success. The framework captures three critical elements:

1. Managerial capabilities
2. Managerial actions (structural or interpersonal)
3. Three necessary components of organizational effectiveness: Competency, Commitment, and Coordination (the 3C’s).

The managerial capability to effectively implement strategy lies in the hands of leaders, who are largely responsible for the success or failure of implementation efforts (Hrebiniak, 2006). Leaders can perform two broad types of implementation actions, structural or interpersonal, with the goal of developing an organization that is capable of implementing strategy, committed to implementing strategy, and sufficiently coordinated to effectively execute a strategic plan. Tawse and Tabesh (2021) apply a dynamic capabilities lens to the issue of managerial capability, however, additional leadership theories could be explored. For example, a model of leadership effectiveness proposed by Sturm et al. (2017), that includes three conditions of leadership character, competence, and commitment, looks promising.

**Learning Objectives**

In our experience, the framework for effective organization improves student understanding of business concepts such as strategy implementation, structure, leadership, and culture. Beyond discussion of the managerial concepts, the frameworks also helps highlight the critical link between individual and team-level actions with organizational success.

***Objectives related to the acquisition of knowledge:***

1. To better understand the bridge between micro and macro level management concepts.
2. To understand the link between leadership actions, team actions, and strategic success at the organizational level.
3. To reinforce the importance of management concepts, such as competitive advantage, leadership, and organizational culture.

***Objectives related to the development of student strategic leadership skills:***

1. To understand the necessary conditions of organizational effectiveness
2. To understand the leadership mechanisms through which organizational effectiveness is achieved.

**Exercise Overview**:

The exercise is broken down into 4 parts. First, we will share the framework, describe how it was derived, and provide details about each element. During the second phase, to show how the framework is applied, we will provide an example using a case study. During the third phase, we will invite feedback from participants. In particular, we are interested in getting ideas from out colleagues about leadership capability to effectively implement strategy. Finally, we will review what we learned and answer final questions about the framework and how it is applied.

**Session Description**

In a 60-minute session, I plan to do the following:

|  |  |  |
| --- | --- | --- |
| **Timing** | **Action** | **Outcome** |
| 0-15 | Introduction of the Framework and the motivation behind its development. | Participants learn about the origins of the framework and each element.  |
| 15-30 | An example case to demonstrate framework validity and how it can be applied within a strategy class.  | Participants experience the exercise from the perspective of a student.  |
| 30-50 | A facilitated discussion about elements of the framework and possible improvement.  | Participants gain a deeper understanding through discussion and engage in a process to improve the framework.  |
| 50-60 | Exercise debrief and Q&A | Any unanswered questions are resolved and potential improvements to the assignment are shared and recorded.  |

**REFERENCES**

Barney, J. B. (1991). VRIO Framework Analysis. Strategic Management Journal, 5, 171-180.

Greer, C., Lusch, R., & Hitt, M. (2017). A Service Perspective for Human Capital Resources: A Critical Base for Strategy Implementation. *Academy of Management Perspectives*.

Hambrick, D. C., & Cannella, A. A. (1989). Strategy implementation as substance and selling. *The Academy of Management Executive*, 3(4): 278-285.

Hrebiniak, L. G. (2006). Obstacles to effective strategy implementation. Organizational Dynamics, 35(1): 12-31.

Sturm, R. E., Vera, D., & Crossan, M. (2017). The entanglement of leader character and leader competence and its impact on performance. The Leadership Quarterly, 28(3), 349-366.

Tawse, A., & Tabesh, P. (2021). Strategy implementation: A review and an introductory framework. European Management Journal, 39(1), 22-33.