**Original Research Article**

# Obstacles to Strategy Execution: The Case of the UAE Steel Manufacturing Industry

Dr. Christophe Y. R. Berthomier[*]

SBS (SWISS BUSINESS SCHOOL) -SEPTEMBER 2020- Al Furjan, Zone a, Villa 101, Dubai, UAE

*Corresponding author: Dr. Christophe Y. R. Berthomier

## Abstract

This research examined 12 factors most associated with and predictive of corporate strategy execution in the United Arab Emirates' steel manufacturing industry. It embraced a positivism research philosophy and quantitative methodology through respondent surveys ($n = 112$) and a case study ($n = 80$). Correlations between data sets were calculated using Pearson and Spearman correlation and multiple regression; $t$-tests, ANOVA, and Tukey–Kramer post-hoc statistical tests were also used. Participants perceived their organization's strategy as being of high quality, with a statistical significance level ($t$ [111] = 21.50; $p < .001$). Participants were satisfied with their organization's strategy execution, with a statistical significance level ($t$ [111] = 18.62; $p < .001$). Of the 12 factors, three represented statistically significant predictors ($p < .05$) of the perceived efficacy of strategy execution: clear guidelines, harmony between the execution plan and the power structure, and the organization's ability to adapt to change. Hypothesis testing found that the higher the hierarchy level, the higher the number of respondents who strongly agreed with the survey questions related to the 12 elements. Organizations need to define power bases and form coalitions with those in power; focus on value-added, measurable results; and ensure that resources are fairly distributed. Furthermore, organizations need to assess the size of the strategic change and the time needed to execute it, outline the steps and tactics, clearly identify responsibilities and accountabilities, and overcome resistance to change, including cultural change.

**Keywords:** Strategy execution, Quantitative research, Hierarch erosion effect, ANOVA, Exploratory factor analysis, Obstacles.

# INTRODUCTION

It is crucial for organizations to be able to formulate and implement good strategies, as it would be considered negligent not to have a strategy [1]. Whereas experts and researchers alike do not seem to agree on a strategy execution failure rate, they do tend to agree that the percentage is alarmingly high. Experts are of the view that 50 percent to 90 percent of strategic initiatives fail [2]. This research examines the relationship between the obstacles and the efficacy of corporate strategy execution in the UAE steel manufacturing industry. Despite the evidence drawn from the empirical data pointing to the importance for organizations to have a strategy and to understand the factors that may hinder its implementation, the researcher could not find a single study concerning factors, barriers, or obstacles to successful strategy execution in the UAE steel manufacturing industry. The industry could benefit from such a study, and the current research is a step in that direction. This study also examines the relationship between hierarchy level and perceptions related to the 12 examined obstacles. This study uses a positivism research philosophy with a deductive approach and quantitative methodology on a cross-sectional time horizon.

# EXPERIMENTAL SECTION
## Material and Methods

The primary data were collected and extracted from two sources: a web-based, self-administered five-point Likert scale survey and a case study. The secondary data were gathered from books, articles, and other previous publications. This research follows both

a pragmatic and post-positivist research paradigm. Saunders et al. [3] explained that for pragmatists, research starts with a problem and the objective is to find practical solutions, which is what this study aimed to achieve. In this research, a positivist philosophy is used to investigate the hypotheses using a survey and statistical analysis. The positivist approach is appropriate as it captures data in an objective manner. The survey questions were administered through a self-survey, not interviews, which left no room for interpretation by the researcher. Nevertheless, in conjunction with this objective approach, the researcher reviewed and interpreted the literature, formulated the survey questions, selected the analytical tests, and interpreted the data. Therefore, the researcher argues that post-positivism is the more appropriate research paradigm for this study. A deductive and explanatory research approach and design with a quantitative methodological choice were used for this research.

This research used a self-administered five-point Likert scale survey for the main and the case studies. The scale was 5 = strongly agree, 4 = agree, 3 = uncertain, 2 = disagree, and 1 = strongly disagree. A five-point Likert scale has been recommended to increase the response rate and response quality, as well as reduce respondents' frustration level [4]. As this research took place at a specific moment in time, it used a cross-sectional time horizon.

The achieved KMO value with 112 participants was great, at KMO = .87. The four major statistical approaches used to address the research questions were the one-sample t-test, ANOVA, exploratory factor analysis (EFA), and the multiple linear regression statistical technique. The Cronbach's alpha ($\alpha$) test statistic was conducted on participant responses to the piloted version of the survey to assess internal consistency (reliability). The alpha level achieved ($\alpha$ = .88) by data produced by the study's research instrument was excellent. Therefore, the main study was feasible, with changes to the protocol.

Research Question One: To what degree did participants perceive their organization's corporate strategy as reflecting a high level of quality?

Research Question Two: To what degree are participants satisfied with the execution of their organization's corporate strategy?

Research Question Three: Considering the 12 elements of strategy execution, which individual element is most associated with and predictive of the perceived efficacy of their organization's strategy execution?

Research Question Four: Considering the identified dimensions of strategy execution, which of the identified dimensions is most associated with and

predictive of the perceived efficacy of their organization's strategy execution?

Research Question Five: To what degree is hierarchy level associative and predictive of the perceived level of quality of the corporate strategy?

Research Question Six: Considering the 12 elements of strategy execution, are perceptions significantly different based on hierarchy level?

12 null hypotheses were derived from Research Question Six:
1. Null Hypothesis 6.1: With respect to the strategy being clearly communicated to all employees, there is no significant perceived difference based on hierarchy level.
2. Null Hypothesis 6.2: With respect to having clear guidelines or a model to execute the strategy, there is no significant perceived difference based on hierarchy level.
3. Null Hypothesis 6.3: With respect to having sufficient financial resources to execute the strategy, there is no significant perceived difference based on hierarchy level.
4. Null Hypothesis 6.4: With respect to the harmony between the execution of the strategy and the existing power structure, there is no significant perceived difference based on hierarchy level.
5. Null Hypothesis 6.5: With respect to the agreement on critical execution steps and actions, there is no significant perceived difference based on hierarchy level.
6. Null Hypothesis 6.6: With respect to the senior management of the organization being supportive of the execution of the strategy, there is no significant perceived difference based on hierarchy level.
7. Null Hypothesis 6.7: With respect to a sense of ownership of the strategy or execution plans among key employees being evident, there is no significant perceived difference based on hierarchy level.
8. Null Hypothesis 6.8: With respect to company incentives being adequate to support the strategy execution objectives, there is no significant perceived difference based on hierarchy level.
9. Null Hypothesis 6.9: With respect to the adequacy of information sharing between individuals and business units responsible for the strategy execution being evident, there is no significant perceived difference based on hierarchy level.
10. Null Hypothesis 6.10: With respect to the responsibility and/or accountability for execution decisions or actions being clearly communicated within the organization, there is no significant perceived difference based on hierarchy level.
11. Null Hypothesis 6.11: With respect to the role of organizational structure and design in the execution process being understood by employees, there is no

significant perceived difference based on hierarchy level.

12. Null Hypothesis 6.12: With respect to organizations managing change effectively and being able to overcome internal resistance to change, there is no significant perceived difference based on hierarchy level.

For hypothesis testing, the independent variables were the four hierarchy levels: Group One—executive/CEO/owner ($X_1$), Group Two—senior management ($X_2$), Group Three—middle management ($X_3$), and Group Four—intermediate/ nonmanagerial ($X_4$). The dependent variables were the 12 elements: 6.1, strategy clearly communicated; 6.2, clear guidelines or a model; 6.3, sufficient financial resources; 6.4, conflict with the power structure; 6.5, agreement on critical steps and actions; 6.6, management support; 6.7, a sense of ownership; 6.8, adequate incentives; 6.9, adequate information sharing between individuals and business units; 6.10, clear communication about the responsibility, accountability, and actions; 6.11, understanding of the role of organizational structure and design; and 6.12, managing change effectively.

## RESULTS AND DISCUSSION
**Research Question One**: To what degree did participants perceive the execution of their organization's corporate strategy as reflecting a high level of quality? The one-sample t-test was used to assess the statistical significance of responses to the notion that the organization's corporate strategy reflected a high degree of quality. The probability level of $p < .05$ represented the threshold for statistical significance. The participant mean score of 4.29 (SD = 0.63) in Research Question One was manifested at a statistically significant level (t (111) = 21.50; $p < .001$). The magnitude of effect of participant responses to Research Question One, using the Cohen's d statistical technique, was considered huge (d = 2.02).

**Research Question Two**: To what degree are participants satisfied with the execution of their organization's corporate strategy? The one-sample t-test was used to assess the statistical significance of responses to the notion of satisfaction with the organization's corporate strategy. The probability level of $p < .05$ represented the threshold for statistical significance. The participant mean score of 4.21 (SD = 0.69) in Research Question Two was manifested at a statistically significant level (t (111) = 18.62; $p < .001$). The magnitude of effect of responses to Research Question Two, using the Cohen's d statistical technique, was considered very large (d = 1.75).

**Research Question Three:** Considering the 12 elements of strategy execution, which individual element is most associated with and predictive of the perceived efficacy of their organization's strategy execution? The predictive modeling process used to address Research Question Three was conducted in two distinct phases. In the first phase, all 12 elements of strategy execution were included in a predictive model as independent variables. In the second phase of the modeling process, elements representing statistically significant predictors of perceived efficacy of the organization's strategy execution were used as the independent predictors in the predictive model. Using the multiple linear regression statistical technique for predictive purposes in the first phase of the modeling process, the 12 elements of strategy execution represented independent predictor variables for the research question's dependent variable of perceived efficacy of the organization's strategy execution. Three distinct elements represented statistically significant predictors ($p < .05$) of perceived efficacy of the organization's strategy execution: clear guidelines, harmony between the execution of the strategy and the existing power structure, and the organization's effective management of change. The predictive model used in the first phase of the modeling process associated with Research Question Three was viable for predictive purposes (F [12, 99] = 9.60; $p < .001$), accounting for 53.8 percent ($R^2 = .538$) of the explained variance in the model's dependent variable of perceived efficacy of the organization's strategy execution. All major assumptions of multiple linear regression were addressed and satisfied through either visual inspection or statistical means. Table 1 contains a summary of findings for the statistically significant predictor elements within the first phase of the modeling process in Research Question Three.

**Table-1: Statistically Significant Predictors of Perceived Efficacy of Strategy Execution (Phase I Model)**

| Model | β | SE | Standardized β |
|---|---|---|---|
| Intercept | 1.04 | 0.35 | |
| Clear guidelines | 0.20 | 0.08 | .24* |
| Harmony: Execution/power structures | 0.21 | 0.08 | .25** |
| Effective management of change | 0.17 | 0.08 | .21*[t] |

*p = .02. *[t] p = .03. **p = .01.

In the second phase of the predictive modeling process associated with Research Question Three, the three statistically significant predictors of perceived efficacy of the organization's strategy execution were used as the independent predictor variables in the model. Results indicate that the strategy execution element of effective management of change exerted the greatest degree of associative and predictive effect

amongst the three variables in the second phase predictive model. The predictive model used in the second phase was viable for predictive purposes ($F_{(3, 108)} = 30.83$; $p < .001$), accounting for 46.1 percent ($R^2 = .461$) of the explained variance in the model's dependent variable of perceived efficacy of the organization's strategy execution. All major assumptions of multiple linear regression were addressed and satisfied through either visual inspection or statistical means. Table 2 contains a summary of findings for the statistically significant predictor elements within the second phase of the modeling process in Research Question Three.

**Table-2: Statistically Significant Predictors of Perceived Efficacy of Strategy Execution (Phase II Model)**

| Model | β | SE | Standardized β |
|---|---|---|---|
| Intercept | 1.37 | 0.32 | |
| Clear guidelines | 0.18 | 0.07 | .21** |
| Harmony: Execution/power structures | 0.26 | 0.07 | .32*** |
| Effective management of change | 0.28 | 0.07 | .34*** |

$**p = .01. ***p < .001.$

Table 2 illustrates that effective management of change exerted the greatest degree of associative and predictive effect amongst the three variables. Hrebiniak [5] referred to this element (obstacle) as the inability to manage change and overcome resistance to change.
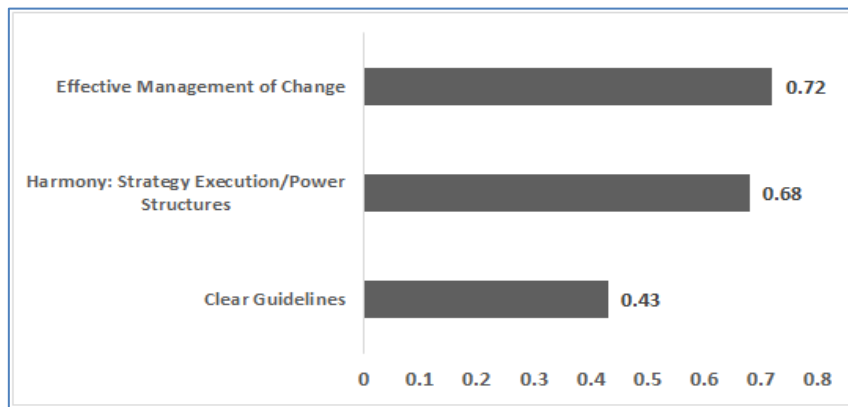


**Fig-1: Associative/predictive effect (d) of elements of strategy execution**

**Research Question Four**: Considering the two identified dimensions of strategy execution, which of the identified dimensions is most associated with and predictive of the perceived success of their organization's strategy execution? Dimension reduction of survey items on the study's research instrument using EFA yielded two distinct dimensions of strategy execution from the study's data set. Using the multiple linear regression statistical technique for predictive purposes, both dimensions of strategy execution were found to exert a statistically significant associative and predictive effect upon perceived efficacy of strategy execution. Of the two dimensions, however, the first dimension (communication/organizational supports) exerted a greater degree of associative and predictive effect for perceived efficacy of strategy execution ($d = 1.22$) than did the dimension of strategy/organizational congruence ($d = .47$), as shown in Figure 18.
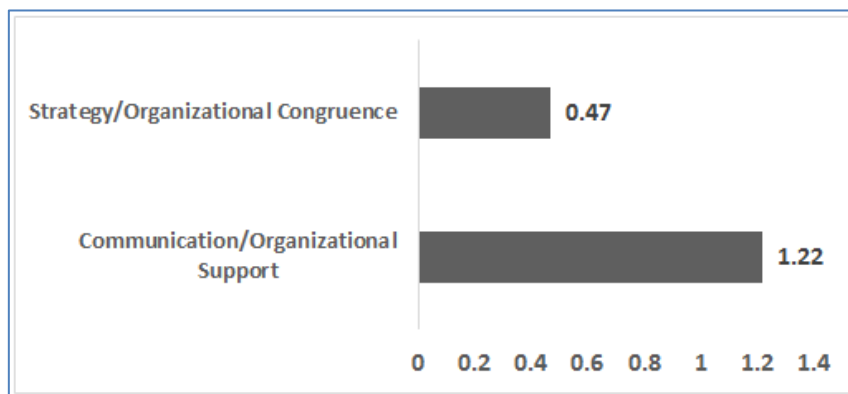


**Fig-2: Associative/predictive effect (d) by dimension of strategy execution**

The predictive model used in addressing Research Question Four was viable for predictive purposes ($F_{(2, 109)} = 49.43$; $p < .001$), accounting for 47.6 percent ($R^2 = .476$) of the explained variance in the model's dependent variable of perceived efficacy of the organization's strategy execution. All major assumptions of multiple linear regression were addressed and satisfied through either visual inspection or statistical means. Table 3 contains a summary of the findings for the predictive model used to address Research Question Four.

**Table-3: Predicting Perceived Efficacy of Strategy Execution by Dimension**

| Model | β | SE | Standardized β |
|-------|------|------|----------------|
| Intercept | 0.69 | 0.37 | |
| Communication/organizational supports | 0.59 | 0.11 | .52*** |
| Strategy/organizational congruence | 0.27 | 0.11 | .23*** |

***$p < .001$.

**Research Question Five**: To what degree is hierarchy level associative and predictive of perceived level of quality of the corporate strategy? The simple linear regression statistical technique was used for predictive purposes in addressing Research Question Five. The predictive model's independent variable of participant job hierarchy within the organization was found to exert a statistically significant medium to large associative and predictive effect ($d = .65$) upon perceived level of quality of the corporate strategy.

The predictive model used in addressing Research Question Five was viable for predictive purposes ($F [1, 108] = 11.69$; $p = .001$), accounting for 9.8 percent ($R^2 = .098$) of the explained variance in the model's dependent variable of perceived efficacy of the organization's strategy execution. All major assumptions of simple linear regression were addressed and satisfied through either visual inspection or statistical means. Table 4 contains a summary of the findings for the predictive model used to address Research Question Five.

**Table-4: Predicting Perceived Efficacy of Strategy Execution by Job Hierarchy**

| Model | β | SE | Standardized β |
|-------|------|------|----------------|
| Intercept | 4.90 | 0.19 | |
| Job hierarchy | 0.23 | 0.07 | .31*** |

***$p = .001$.

**Research Question Six**: Considering the 12 elements of strategy execution, are perceptions significantly different based on hierarchy level? This question examined the effect of hierarchy level on respondents' perceptions of the 12 elements of strategy execution. A null and alternate hypothesis were formulated for each element in relation to hierarchy levels. As noted above, the dependent variables were the 12 elements of strategy execution, 6.1 through 6.12. The independent variables were the four hierarchy levels: Group One—executives, CEOs, and owners ($X_1$); Group Two—senior management ($X_2$); Group Three—middle management ($X_3$); and Group Four—intermediate and nonmanagerial personnel ($X_4$). The hierarchy levels of entry level and other did not have enough respondents to be significant; $n < 1$. These hierarchy levels were consequently excluded from the statistical analysis.

Excel data analysis was used to conduct ANOVA statistical testing for each element in relation to hierarchy levels. Using ANOVA, the researcher compared the four hierarchy levels (four groups) for each element to determine if at least one of the groups (levels) was statistically and significantly different from the other groups. Provided the null hypothesis was rejected, a Tukey–Kramer post-hoc statistical test was conducted to determine which groups (hierarchy levels) was significantly different at a confidence interval (CI) of 95 percent. Hypothesis testing for the 12 elements was conducted but only hypothesis testing for element 6.1 is shown in this article:

**4.2.6.1 Hypothesis testing of element 6.1**. Null hypothesis 6.1: With respect to the strategy being clearly communicated to all employees, there is no significant perceived difference based on hierarchy level: $H_0$ $X_1 = X_2 = X_3 = X_4$. The alternate hypothesis 6.1 was, with respect to the strategy being clearly communicated to all employees, there is a significant perceived difference based on hierarchy level: $H_a$ $X_1 \neq X_2 \neq X_3 \neq X_4$. Table 5 shows a summary of the testing for null hypothesis 6.1; Table 6 shows the ANOVA results. Analyses failed to reject the null hypothesis.

**Table-5: Summary of Hypothesis Testing of Element 6.1**

| Group | Count | Sum | Average | Variance |
|-------|-------|------|---------|----------|
| Exec/CEO/owner ($X_1$) | 7 | 32 | 4.57 | 1.29 |
| Senior management ($X_2$) | 37 | 162 | 4.38 | 0.46 |
| Middle management ($X_3$) | 48 | 203 | 4.23 | 0.52 |
| Intermediate/nonmanagerial ($X_4$) | 16 | 66 | 4.13 | 0.65 |

**Table-6: ANOVA Testing of Element 6.1**

| Source of variation | SS | df | MS | F | P-value | $F_{crit}$ |
|---|---|---|---|---|---|---|
| Between groups | 1.46 | 3.00 | 0.49 | 0.86 | 0.46 | 2.69 |
| Within groups | 58.65 | 104.00 | 0.56 | | | |
| Total | 60.10 | 107.00 | | | | |

Note. $\alpha = .05$; (F [3, 104] = .86, p < .5); $F < F_{crit}$: Fail to reject the null hypothesis.

With respect to the strategy being clearly communicated to all employees, no significant perceived difference was found based on hierarchy level. However, as Figure 3 illustrates, the groups' means suggest that the higher the hierarchy level, the higher the number of respondents who strongly agreed that the strategy is clearly communicated to all employees: exec/CEO/owner (M = 4.57), senior management (M = 4.38), middle management (M = 4.23), and intermediate/nonmanagerial (M = 4.13); (F [3, 104] = .86, p < .5).
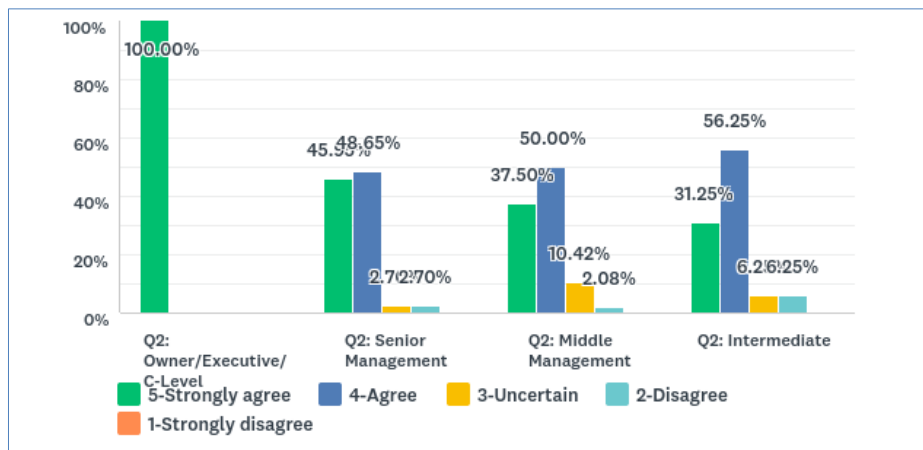


**Fig-2: Hierarchy level and perceived agreement that the strategy is clearly communicated to all employees**

**Finding Comparisons (Main study and case study)**

The findings for Research Question One in both phases of the study supported the notion that study participants perceived their organization's strategy as being of high quality.

For Research Question Two, in both phases of the study, participants expressed a high degree of satisfaction with the execution of their organization's strategy.

For Research Question Three, the issue at hand was determining which elements from both phases of the study were most associated with and predictive of the perceived efficacy of strategy execution. Two individual elements appeared in the top five rankings (top 40 percent) of both study phases: harmony between the strategy execution and the existing power structure, and responsibility/accountability for decisions clearly communicated.

However, as shown in Table 7, in the main study phase, the top five elements were oriented more toward organizational structures, whereas in the case study phase the top five elements were more oriented toward communication.

**Table-7: Ranking of Strategy Execution Elements by Study Phase**

| Rank | Main study phase | Case study phase |
|---|---|---|
| 1 | Harmony between strategy and existing power structure. | Responsibility/accountability for decisions clearly communicated. |
| 2 | Senior management is supportive of the execution of the strategy. | Strategy is clearly communicated to all employees. |
| 3 | Organization manages change effectively. | Harmony between strategy and existing power structure. |
| 4 | Clear guidelines have been developed to guide strategy efforts. | Agreement on strategy's critical steps expressed by employees. |
| 5 | Responsibility/accountability for decisions clearly communicated. | Adequate information sharing between individuals or business units. |

Research Question Four also focused upon a determination of which of the identified dimensions was most associated with and predictive of the efficacy of the strategy execution. The items represented within the two identified dimensions were replicated within the case study phase for comparative purposes. In the

comparison, the predictive effect for dimension one was nearly identical in both project phases, but for dimension two, the associative/predictive effect was greater in the study phase.

In Research Question Five, the degree to which organizational hierarchy level was associative and predictive of the perceived level of quality of the corporate strategy represented the primary focus for both the main study and the follow-up case study.

Findings from both phases of the project were compared. The predictive effect of job hierarchy on perceptions of quality of strategy for both phases of the study was nearly identical. The predictive models were both statistically significant, exerting associative/predictive effects that were considered between a medium and large effect. The predictive trend was similar for both study phases of the project (see Figure 4).
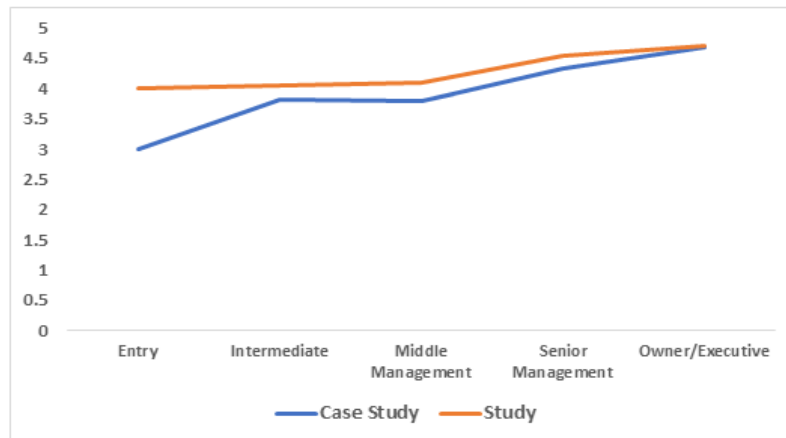


**Fig-3: Trend of perceptions of high quality of the strategy by project phase and hierarchy level**

With respect to the 12 elements (obstacles) examined in the study, Research Question Six examined perceptions by organizational hierarchy level. The findings from both phases of the study are compared in Chapter Five. Perceptions from the main study were significantly different based on hierarchy level for eight of the 12 elements. Study participant perceptions were not significantly different based on hierarchy level in the case study phase. However, a comparison of the group means from both phases indicated that the higher the hierarchy level, the higher the number of respondents who strongly agreed with the survey questions related to the 12 elements.

Respondents from the main study and the case study perceived their organization's strategy as being of high quality. Hrebiniak [5] identified a poor or vague strategy as being a significant obstacle to strategy execution. One cannot overemphasize how important it is for organizations to critically review the strategy they are intending to execute. Using resources to execute a poorly conceived strategy not only guarantees poor results, but also consumes company resources that cannot be recovered.

Hrebiniak [5] outlined that the process of reaching organizational objectives starts with the formulation of the strategy. He highlighted four key aspects that affect strategy execution efforts and success:
1. Sound planning and clear, focused strategies at both corporate and business levels;
2. Integrating corporate and business strategies and conducting strategy reviews;
3. Defining and communicating clearly the key operational components of strategy and measuring execution progress and results; and
4. Understanding the demand of strategy and the effects on the development of organizational resources and capabilities, and their impact on execution. [5]

Furthermore, organizations need to evaluate and understand their industry and their competitors. They must analyze their external environments, opportunities, and threats as well as their capabilities, strengths, and weaknesses. Strategy execution cannot take place if formulation is neglected [6].

All 12 elements of strategy execution examined in the current study were associated with and predictive of the efficacy of the strategy execution to statistically significant degrees. In particular, two individual elements appeared in the top five rankings (top 40 percent) of both study phases and Hrebiniak's [5] research on the matter: harmony between the strategy execution and the existing power structure and responsibility/accountability for decisions clearly communicated. In the main study phase, the top five elements are oriented more toward organizational structures, whereas in the case study phase the top five elements appear to be more oriented toward the communication aspect of strategy execution. Table 8 illustrates the correlation between obstacles from the different study phases and Hrebiniak's [5] research. Of note, the top five combined obstacles to strategy

execution from both phases of this research correlate with the top five obstacles from Hrebiniak's research.

Harmony between strategy execution efforts and the existing power structure within an organization was identified in this study as one of the two most significantly correlated obstacles associated with and predictive of the efficacy of strategy execution (see Table 8). The professional literature on the issue contains sufficient evidence in support of the notion that attempting to execute a strategy that conflicts with the power structure is an uphill battle. Hrebiniak [5] summarized five key lessons in the relationship between power and execution that organizations need to consider when executing their strategies:

1. Organizations need to define power bases and relationships;
2. Organizations need to form coalitions or joint ventures with those in power;
3. Organizations need to focus on value-added, measurable results to gain influence;
4. Managers involved in the execution need to understand power; and
5. Resources have to be distributed fairly and evenly, as uneven distribution leads to differences in dependencies, which leads to differences in power. (p. 325).

**Table-8: Correlating Obstacles by Study Phase and Hrebiniak (2013)**

| Rank | Obstacles | | |
|---|---|---|---|
| | Main study phase | Case study phase | Hrebiniak (2013) |
| 1 | Harmony between strategy and existing power structure. | Harmony between strategy execution and the power structure. | Harmony between strategy execution and the power structure. |
| 2 | Responsibility and accountability for decisions clearly communicated. | Responsibility and accountability for decisions clearly communicated. | Responsibility and accountability for decisions clearly communicated. |
| 3 | Not having guidelines or a model to guide strategy execution efforts. | | Not having guidelines or a model to guide strategy execution efforts. |
| 4 | Inability to manage change effectively and overcome resistance to change. | | Inability to manage change effectively and overcome resistance to change. |
| 5 | | Poor or inadequate information sharing between individuals or business units. | Poor or inadequate information sharing between individuals or business units. |

The second most significantly correlated obstacle associated with and predictive of the efficacy of strategy execution was unclear communication of responsibility or accountability for execution decisions or actions. For organizations to execute their strategies successfully, responsibilities and accountabilities for key decisions and actions have to be clearly communicated to all involved. Hrebiniak [5] suggested that using responsibility plotting and role-negotiation techniques are two ways to ensure that responsibilities and accountabilities for key decisions and actions have been clearly understood and communicated.

As shown in Table 8, absence of guidelines or a model to guide the strategy execution effort was the third most significantly correlated obstacle associated with and predictive of the efficacy of strategy execution between the main study phase of this research and Hrebiniak's [5] research. Without a guideline or model for strategy execution, managers may not be knowledgeable or understanding of the proper steps to take and when to take them. Not having clear guidelines can lead to conflicting decisions and actions. Organizations need to follow a guideline or a roadmap to positively drive the execution process [5].

The inability to manage change effectively and overcome resistance to change represents was the fourth most significantly correlated obstacle associated with and predictive of the efficacy of strategy execution between the main study phase of this research and

Hrebiniak's [5] research. Accordingly, organizations should not underestimate the importance of people's ability to adapt to change, whether at the organizational or individual level. Organizations tend to assume that formulating and communicating a new strategy will suffice for its successful execution. The professional literature on the matter, however, suggests otherwise. For the strategy execution to be successful, managers need to understand the key points about managing change. These managers need to understand that change is not an abstract concept but a real hindrance to strategy execution if not managed effectively.

Hrebiniak [5] suggested that organizations need to examine how their strategies affect organizational structure, coordination mechanisms, short-term measures, incentives, and control. He further suggested that managing change is complex and proposed a structured approach following six critical steps:

1. Assessing accurately the size and content of a strategic change;
2. Determining the time available to execute the change;
3. Determining the steps and tactics used to manage the change;
4. Having clear responsibility and accountability in the change process;
5. The need to overcome resistance to change, including cultural change; and

6. Having adequate controls to monitor the change. [5]

Poor or inadequate information sharing between individuals or business units responsible for the strategy execution was identified as the fifth most significantly correlated obstacle associated with and predictive of the efficacy of strategy execution in the case study of this research and Hrebiniak's [5] research (see Table 8). Poor or inadequate information sharing cannot be blamed on "communication" alone. Many factors can hinder information sharing and knowledge transfer, including the characteristics of the knowledge being transferred, the source of the knowledge, the recipient of the knowledge, and the context. The power structure and organizational culture may also impede an organization's efficacy in information sharing and knowledge transfer, and negatively impact strategy execution. To improve the probability of a successful strategy execution, managers need to set up the right objectives, clearly communicate these objectives, use effective incentives to reward appropriate behaviors, invest in absorptive capacity, understand the importance of formal and informal communication and how to measure the former, and create a culture of cooperation based on common perceived missions [5].

Two specific dimensions of strategy execution—communication/ organizational supports and strategy/organizational congruence—were identified in the data using an EFA statistical approach. Of the two, the dimension of communication/organizational supports was most associated with and predictive of study participants' perceptions of the organization's strategy execution reflecting a high degree of quality. The findings in Research Question Four appear to corroborate agreement for both study phases and the work of Hrebiniak [5] for the element of harmony between strategy execution and existing power structures in strategy execution. As such, perceptions of an organization's strategy execution as being of high quality appear to be largely associated with the communication and organizational supports that promote harmony between the organization's strategy execution and its existing power structures. Communication appears to be the prime mover in promoting this paradigm, which in turn elicits positive perceptions of the quality of an organization's strategy execution.

The notion that people at different organizational levels perceive things differently was evident through the examination of the relationship between the perceived high quality of the strategy and hierarchy level. The predictive effect for job hierarchy upon perceptions of quality of strategy for both phases of this research were nearly identical and statistically significant. These findings subsequently prompted an examination of perceptions as to whether the 12 elements associated with and predictive of the efficacy of the strategy execution become less favorable the lower one goes in the hierarchy. Indeed, the lower the hierarchy level, the less favorable the respondents were to the survey questions on perceptions of the strategy execution reflecting a high level of quality. Conversely, with increasing hierarchy levels within an organization, a commensurate increase was found in the level of satisfaction with the perception of the quality of strategy execution.

Gibson, Birkinshaw, McDaniel Sumpter, and Ambos [7] examined whether business practice perceptions became less favorable the lower one goes down the hierarchy, similar to the comparisons noted in the current study. Gibson et al. found support for the notion that differences in perceptions were linked to an organization's ability to achieve its desired strategic goals. It could be hypothesized that these differences in perceptions, the so-called "hierarchy erosion effect," are related to inadequate communication, the lack of information sharing and knowledge transfer, an inappropriate culture, inadequate organizational structure, and the lack of empowerment, amongst other factors. Gibson et al. claimed that organizations need to implement practices that are bottom-up, "which emphasize rational norms as a coordination mechanism rather than formal authority" (p. 1720). Yet others in the professional literature have suggested that reducing the differences in perceptions based on hierarchy level increases performance and, therefore, the success of strategy execution. Ketokivi and Castañer [8] posited that communication and participation in the strategy formulation process play a critical role in enabling organizational members to develop common views of organizational phenomena to reach organizational goals.

It would appear prudent for organizations to conduct strategy execution perception surveys to assess for differences in perceptions based on stakeholders' hierarchy level. The findings and knowledge from surveys specific to an organization may also be helpful in planning interventions to align viewpoints about organizational strategy execution. Such findings would appear to provide a viable option in guiding organizations to take the necessary actions to reduce, or even eliminate, the hierarchy erosion effect and increase their chances of a successful strategy execution.

Given that obstacles to strategy execution in the UAE steel manufacturing industry were identified and found to be statistically significant, the findings of the current study will likely prompt curiosity and further research on the topic. One recommendation would be examining the specific effect of communication on other elements of strategy execution. If communication is improved across the organization, it may be possible to establish a causal effect with other elements of strategy execution. For example, it may be

hypothesized that improving communication effectiveness within an organization, the organizational culture of harmony may also improve commensurately.

An additional recommendation for further study is conducting the same study, with the same instruments and in the same industry, but in a different social context. Using this approach, researchers could examine to what degree the traditions, cultures, values, and belief systems of the society alter the results. Conversely, a quantitative study could be conducted in the same context and industry, with the same elements of strategy execution, but using a different survey. A research approach of this nature would be a way to replicate and validate the findings achieved in the current study.

Future research using a different design may also be considered as a means of addressing this topic. Serious consideration should be afforded to implementing a mixed-methods approach to investigate the topic of strategy execution. A mixed-methods approach would provide the opportunity to follow up on the quantitative scope of the current investigation using a qualitative approach with fewer participants. The qualitative aspect of a future study would afford the opportunity to yield data that are deeper, richer, and thicker on the matter of strategy execution.

## CONCLUSION

Whilst Hrebiniak's [5] research was conducted in the United States of America and this study was conducted in the United Arab Emirates at different times, in a different context and industry, the findings are strikingly and perhaps coincidentally very similar. The 12 elements of strategy execution examined in this study were associated with and predictive of the efficacy of the strategy execution to statistically significant degrees. Furthermore, two elements appeared in the top five rankings of both study phases of this research and Hrebiniak's [5]: harmony between the strategy execution and the existing power structure and responsibility/accountability for decisions clearly communicated. Cândido and Santos [9], have identified up to 65 different obstacles in 14 different categories. It is therefore crucial for leaders to be aware of the existence of the obstacles that are most associated with a predictive of the efficacy of their corporate strategy execution within their organization and industry. The research methodology and instruments from this study can then be applied to their organization, and could arguably and significantly improve the probabilities of reaching a high degree of strategy execution efficacy and therefore improve their probabilities of reaching their objectives. Additionally, this research identified that business practice perceptions became less favorable the lower one goes down the hierarchy. Considering the notion that differences in perceptions were related to an organization's ability to achieve its strategic goals, it is critical for organizations to conduct strategy execution perception surveys to assess for differences in perceptions based on hierarchy level.

I would like to conclude this article with one of my favorite quotes from Andre Gide:
"Believe those who search for truth, doubt those who claim
to have found it."—Attributed to Andre Gide

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