

# Execution Leadership in a Multi-unit Firm

Dr. Joel Bigley

California Baptist University

**Abstract:** - *This study shows that execution leadership is closely related to capacity and strategy enactment. Execution leaders are able to scale capacity within a global network, regardless of volume trends. This includes the ability to take spikes in a pooled capacity construct. Furthermore, when action is focused and supported across the organizational construct, the enterprise can expect sustained corporate advantage. Executing collaboratively presents limitless possibilities for operational excellence and the opportunity for a competitive advantage. This study provides eighteen propositions that enhance theory of execution leadership in multi-unit firm.*

**Keywords:** - *execution; capacity management; role recalibration; organizational design; alignment; production network.*

## Introduction

In the typical M-form organization, top-level managers formulate strategy to set direction and then manipulate resources to fulfill objectives. Mid-level managers then assume the role of administrative controllers and are in the middle between control from above and implementation of strategic tasks below (Bartlett & Ghoshal, 1997). The message of empowerment has spread through organizations as they realize the limitations of this construct, especially in an environment where behaviors and relationships have not changed. While multi-unit firm (MUF) oriented organizations need top leaders, there is the tendency for them to drift into familiar and traditional roles with the assumption that boundaries are still present and that all leaders are similar. A study by Bartlett and Ghoshal (1997) showed that leaders within the complex, networked dimensions of a multidimensional organizational structure (MOS) are different, unique, and environmentally situational.

**Execution by Design.** In fact, the transition to an organization of empowerment must be enforced through a structure that anchors new behaviors and relationships (Bartlett & Ghoshal, 1997). This is the intent of the MOS organizational framework common in most multi-national enterprises (MNEs) as it provides objective alignment around growth

synergy realization, and as it redefines roles and norms. For example, a norm that has been a cultural pillar at MediaCorp (a pseudonym for the case company) is entrepreneurialism. Cultivating an existing norm is easier than embedding a new one. Leadership behaviors and the organizational design liberate this embedded capability to enhance operating profitability. The network in a MOS is exploited through lateral integrative mechanisms (LIMs) that enhance communication channels, increase the frequency of their use, and accelerate the value-based ethical decision-making process that entrepreneurial leaders stand behind (Jayaraman & Min, 1993). The MOS also allows for the system-wide exploitation of expertise on-demand. As this approach is holistic, responsibility and innovation are brought to the 'coal-face' encouraging participation and inclusion in an evolutionary change process. This creates a strong relational link between the employee and the organization (Joensson, 2008). Nested roles are homogenized through decentralization and linkage in the framework. Any node in the network can influence another. It is the responsibility of leaders to create or discover leaders that are tenacious and thrive in an environment conducive to growth synergy realization (Bartlett & Ghoshal, 1997).

**Recalibration for Execution.** To experience growth synergy realization at MediaCorp, the leadership roles had to be recalibrated at all levels. For example, the role of operating manager at a location had to become optimally and aggressively entrepreneurial. The value-add of this role comes from driving business performance, focusing on productivity, meaningful innovation, and growth in local territories. This leader attracts talent and customers in local markets. They also assist and share in the network. The value-add of this role came from bringing the large company advantage to the local geographic unit. This is accomplished by dispersing knowledge, skills, and best practices across units. The role of a senior-level manager had to become substantially supportive through coaching and advocacy. Top-level managers had to become institutional leaders. The value-add of this position comes from embedding a sense of direction and commitment. This comes from challenging embedded assumptions, institutionalizing an appropriate set of norms, and from setting an overarching ambitious purpose. Leaders liberate their people to pursue entrepreneurial opportunities in a growth-oriented culture that fosters commitment along with a strong emotional attachment to the organization. They are also connected to the purpose of the organization (Phelps, Rogg, Downey, & Knight, 1994). This is enhanced by a belief and acceptance of the organization's goals and values, a willingness to exert effort on behalf of the organization, and a strong desire to maintain membership in the organization (Mowday, Steers, & Porter, 1979). As a result, other offers for employment are not attractive. Specific drivers of

commitment from today's workers may include contract terms, emotional attachment to the industry, entrepreneurial involvement, the nature of the work, job challenges, role clarity, confirmed expectations, reward systems, skills training, and succession planning. Leaders enable invested and committed stakeholders to exploit growth opportunities through advocacy for resource fluidity and the enablement of timely execution (Doz & Kosonen, 2008). They must see untapped potential in resources available to them while assisting with the coordination of disparate but relevant sources of support. This support-based management is augmented by applicable organizational development for operator-level entrepreneurs so that they (a) become a critical source of support and guidance for front-line entrepreneurs, (b) link resources and competencies, (c) assist with the development, documentation, and defense of plans, and (d) resolve the many tensions and conflicts that are a part of realizing growth synergies (Bartlett & Ghoshal, 1997).

Horizontal leaders represent the products (Prod #) and services (Serv #) dimension of the MOS as shown in Figure 1 below. They identify best practices, coordinate R&D, and apply performance management through cross-unit linkages. They create and manage communication channels and decision forums to capture differences of opinion and interests turning them into exploitable opportunities. Where applicable they connect vertically between product and service workflows to leverage infrastructure or other workflow-based resources as applicable. Concurrently, they absorb demands in a capacity construct that is cross-geographic.



**Figure 1.** The multidimensional organizational structure. This figure illustrates the structure of the MOS including all four dimensions and the location of opportunities.

**Execution over Distance.** Leadership at a distance, a substantial aspect of this role, was originally identified by Bogardus (1927); however, distance is not only physical, but social. The perception of distance relates to interaction frequency, for example, but also can be measured by status, rank, authority, social standing, and power (Antonakis & Atwater, 2002). Napier and Ferris (1993) describe distance between leaders and those who are influenced, as psychological (demographic, power, similarity, values), structural (physical, organizational), and functional (closeness, quality of working relationship). Similarly, Howell and Hall-Merenda (1999) found that LMX (leader-member exchange theory) positively affects follower performance but that distance is not a dependency. Other scholars have also found that the supervisory relationship is not distance related by rather more related to job satisfaction levels (Ramos-Sanchez et al., 2002) or situationally dependent on goal commitment (Klein & Kim, 1998). Furthermore, physical distance, or leadership in a distributed context, has been shown to influence the commitment employees have to the organization (Podsakoff et al., 1993). Horizontal leaders, therefore, have the unique challenge to keep location leaders from becoming overwhelmed by demand, capability needs, ambiguity, complexity, cultural inconsistencies, conflicting messaging, isolation, and potential conflicts. The networked horizontal organization allows location leaders to focus on

harvesting as much profit from local markets through shared technology, information systems, and entrepreneurial tasks (Avolio & Kahai, 2003; Bartlett & Ghoshal, 1997).

In the construct of the MOS, vertical leaders are geographic, or location based leaders (L#). These leaders are charged with running the location facility efficiently, with the support of the horizontal line of business (LOB) oriented leaders, while harvesting as much profit from local markets as possible. They discover, create, and pursue growth opportunities. Employee commitment to their employer was much stronger in the past. Now they are more mobile, they can pursue their dreams, and they have to balance multiple dimensions in their own lives (Phelps et al., 1994). Location leaders have to be able to attract skilled resources locally. They also manage continuous performance improvement at their location. The attributes of vertical leaders would include, but not be limited to, creative, intuitive, persuasive, engaging, competitive, resilient, and persistent. They have detailed operating knowledge of the businesses' competitive capabilities as well as their customers' expectations and needs. Vertical leaders focus their energy on opportunities and are able to recognize potential, make commitments for delivery, motivate local labor to meet expectations, and focus organizational energy around demanding objectives (Bartlett & Ghoshal, 1997).

**Execution Roles.** In the MOS, the diagonal leaders are designated as leaders within the support functions (S#) from top left to bottom right and similarly within client relationship based functions from right to left (C#). Support functions could include, but not be limited to, IT support, human resources (HR), finance, R&D, system support, etc. Client relationships are allocated by client, sector, or client cluster/sector assignment. These assignments are based on volume of work, product type, leader tenure, complexity of the product, market trends, market saturation, and other relevant factors. A client and support function line can meet on a node where a location could experience a product that requires technical assistance for the product launch. While diagonal leaders do not ‘touch’ the product, they do make sure that the product comes into the workflow and leaves it on time through the influence of their support.

Corporate leaders have historically been focused on strategy, structure, and systems rather than purpose, process, and people (Bartlett & Ghoshal, 1997). The primary responsibility of top corporate leaders is to make sure that organizations are working effectively together to realize growth synergies (Doz & Kosonen, 2008). While management systems are critical to the operation, they may isolate corporate leaders from the organization by encouraging them to think of employees as factors of production rather than factors of growth critical to the rapid deployment of strategic initiatives (Doz & Kosonen, 2008). Leaders in the MOS should be thought of as agents of strategic agility (Doz & Kosonen, 2008). Top corporate leaders need to be optimally in touch with MOS leaders so that they can focus MOS leaders on influencing growth through a work environment that fosters entrepreneurial initiative and innovation, rather than just monitoring collective inputs and compliant implementation. Respect for the individuals and their ideas that can grow the organization profitably come through trust, support, and listening while questioning and challenging mindsets. Influential entrepreneurs want change in an environment that achieved equilibrium quickly and that is marked by sustainable economic growth, and a positive impact on society (Bartlett & Ghoshal, 1997). They want a sense of purpose and are proud, and motivated by belonging to an

organization that is living out its purpose through its top leadership (Bartlett & Ghoshal, 1997). Frequent communication encourages participation which contributes to higher job satisfaction, lower levels of conflict, while strengthening commitment (Cummings & Teng, 2003; Semmer et al., 2015). Top corporate leaders create an entrepreneurial environment conducive to growth synergy realization that is sensitive to market trends more through inspirational influence than positional authority (Doz & Kosonen, 2008). Leadership roles in the MOS are critical to the success of the organization. As this structure is somewhat novel, all leaders must be open minded, capable, and flexible to enable growth synergy realization within this construct.

In sum, we have discussed the evidence in literature that relates to leadership execution as it relates to organizational structure, the need to calibrate roles to a situation, and the nature of leadership roles within the structure. In the next section, the methods will be discussed following by the findings from the study. Following the findings will be the conclusion and then the limitations of the study will be discussed.

### **Quality of the Research**

Creswell (2014) describes validity in qualitative research as being the determination of whether the findings are accurate from the standpoint of the author, the participant, and the readers of an account. In this case, language and meaning are the data. Creswell (2014), in parallel with Lincoln and Guba’s (1985) approach, offers qualitative researchers eight possible strategies for checking the accuracy of findings; triangulation, member-checking, rich descriptions, clarification of bias, the use of negative or discrepant information, prolonged time in the field, peer debriefing, and the use of an external auditor. The author selectively used these strategies to ensure data validity with a focus on triangulation, peer debriefing, and member checking.

Endogenous validity refers to the validity of established causal relationships (Yin, 1994; Lamnek, 1995) or internal logic of the research (Punch, 1998). This was achieved by establishing a clear

thematic focus that guided the case selection, abstracting and comparing, conducting peer reviews of causal relationships, and by having an open and comprehensive explanation building. A thematic focus was evident in a clear definition of an overarching research theme (cross-unit synergies), a narrowing research focus (unit operative synergies), and a specific research question (the sustainable realization of growth synergies as evidence of performance) along with a compatible case selection in which the constructs of interest could be discovered. Continuous abstracting and comparing (Strauss & Corbin, 1990, 1996) occurred as the author continuously compared data sets to build higher order constructs, preliminary results to emerging data to confirm or refine results, and observed causal patterns within the existing literature. This improved the validity of causal relations (Yin, 1994). Peer reviews of causal relationships were discussed with research colleagues for the purpose of capturing and testing additional perspectives based on experience in the field. Additionally, it enabled the validation of internal consistency and theoretical relevance of the author's arguments. The final technique for internal validity was through open and comprehensible building of explanations and causal relationships. The results were documented in such a way that the reader could reconstruct the causal relationship (Mayring, 1996). Openly, the author indicated initial ideas, deducted assumptions, and challenged potential inconsistencies.

Exogenous validity refers to the generalizability of research results critical for robust theory development (Sutton & Straw, 1995; Weick, 1995) and depends on the research approach (Yin, 1994). Single case study empirical findings are difficult to generalize. Yin (1994) emphasizes that case studies do not allow for statistical generalization. More specifically, it is difficult to make inferences about a population based on empirical data collected in a sample. While issues of generalizability from case studies is severe (Denzin, 1989; Yin, 1994), single-case studies are recognized to be substantial from an evolutionary perspective (Stake, 1995). Single case studies can also provide new ideas and new thinking paradigms. They can help modify existing theories by exposing gaps and helping to fill them. There are

several facts about this study that support the author's conclusions that the findings and propositions will be at least somewhat generalizable. Several of the constructs can be confirmed as being present in existing literature, indicating general theoretical relevance of the research (Eisenhardt, 1989). The findings were confirmed through consultation with participants, who are operationally capable with varied experience in the industry, suggesting the potential transferability of the claims. Finally, the findings were somewhat generalizable due to the continuous comparison of similarities and differences within case items across different levels of analysis.

Reliability refers to the possibility that researchers can replicate the research activity and produce the same findings (Eisenhardt, 1989; Yin, 1994). A challenge for this replication is the attribute of qualitative research, in that it is bound to the context in which it is conducted (Lamnek, 1995), including time. Reliability in qualitative studies is best served by presenting sufficient information so that the reader can draw his/her own conclusions (Yin, 1994). The author attempted to ensure reliability through the explicit disclosure of the research design, including a detailed description of the research process, case selection criteria, interview guide, and methods for collecting and analyzing empirical data.

### **Data and Analysis**

The purpose of this qualitative phenomenological research study, using Moustakas, (1994) modified van Kaam method, was to explore the real-time experiences of stakeholders, or co-researchers, as they lived and influenced events occurring around them. Awareness is a transient experience (Freeman, 2000) that may involve exerting influence, letting go, and redirecting energy and attention (Depraz, Varela, & Vermersch, 2003). It also involves being present physically and mentally in daily life. Stakeholders have to anticipate events, make sense of existing environments, and exert influence over future trends. Weick (1995) suggests that sense-making is a retrospective cognitive process that explains unanticipated events. He also suggests that events in a socially-created world both support and constrain action. Weick, Sutcliffe, and Obstfeld

(2005) later suggest that individuals form both assumptions and conscious anticipations of future events. By examining sense-making and the development of mental models through actual lived, shared experiences, this study captures the subjective processes that have been largely ignored in the context of the connection between execution leadership and successfully achieving desired outcomes in a multi-unit firm. Using the experience of stakeholders, the author presents a conceptualization of how individual participants in this study made sense of their lived experience. This was an ongoing process for participants as they refined their understanding of lived experiences and established new equilibriums.

The research included individual textual descriptions as well as composite descriptions concisely oriented and illustrated in a theme map structure. Moustakas (1994) suggested that the integration of textual and structural descriptions into a composite description, such as a relational table, is a path for understanding the essence of an experience. The composite description is an intuitive and reflective integrative description of the meanings and essences of a phenomenon, of which the entire group of individuals is making sense. The participants create meaning through their awareness of the environment, reflection on their experiences, consultation with others, focused response to an enquiry, and iterative refinement to these enquiries.

### **Coding**

Data collection was facilitated by an interview protocol with specific questions oriented in a sequenced schema. Participants were solicited as volunteers from a pool of leaders based on a willingness to share information about the transformation of the sub-division. Each volunteer co-researcher participated in the changes personally. Following each question, the participants' response was determined to be linked to the question asked and was determined to be meaningful prior to continuing. An answer could trigger a clarifying question, or a question formed to solicit a more fulsome answer, if needed. The additional information modified the answer and once again was determined to be fulsome or not. The data was given a reference number (ex. RV313) and added then to

the data sheet and coded. The first two letters referred to the person and the numbers referred to the entry from the person. Sub-code themes were also determined and grouped by code and sub-code. The data was surveyed by the author, who, due to personal experience, was able to apply an "analysis for good" (ANOG). Slight modifications were made as needed to reduce the noise in the data and ensure completeness and clarity. This was accomplished by consolidating like data points and simplifying others by stripping out noise and redundancy in the answers. The data was then re-sorted and generalized through categorizing. A pivot-table was used to extract themes in the wording. The raw data was then posted in a table. In some cases most of the themes were unique in which case a table was not used. From this data, dependencies, relationship, and the sequence of events were determined and organized into a theme relationship map. In some cases the data collected appeared as though the participant was confused about the question. In these cases the author followed up with the participant and then added the newly acquired information to the raw data previously collected.

The raw data was collected from each participant for each data domain and sub-domain in the sequence in which it is presented in this chapter to promote a progression of thought. The data is separated into exogenous and endogenous domains as well with selected focus in both areas. In some cases, like roles, the participants offered information on themselves while commenting on data provided by their peers. Patterns that emerge in the data are presented as textural responses (what happened), structural responses (how did it happen), or composite descriptions (what the group experienced). Data responses that occurred most frequently within the theme category were given more significance and were typically mentioned first. Data was interpreted into theme patterns. These were broken into themes and then concisely into propositions, or findings of the study. Data items that referred to individuals, functions, line of business, locations, systems, or company names were obfuscated, eliminated, or given a pseudonym. The propositions, or findings, were formed and listed numerically. Within each proposition, a two-word summary was formed along with a statement

that sums up the finding. For example, a central theme, norm strategy, or trigger may have emerged from the data as a result of coding. This data could then be categorized or filtered through the constructs being discussed that may include the strategic frame, horizontal strategies, or a narrowed scope as examples. This was the beginning of the theme map, or the outermost layer. The layers could then be elaborated on by breaking the outermost layer into sub-layers until it was reasonable to stop. This theme map was created to better describe the themes in the data and to show relationships and sequences between unique data items. With the methods understood, now on to the specific themes from the study as described by the findings.

### **Findings**

Leadership centers on execution for growth according to the second leadership category of emerging themes in the data. A vertical (location) leader is responsible for executing plans.

“[I have] responsibility for outlining the strategic plan, budgeting and executing on those plans with approved staff and resources.” (RV81)

While personalities of leaders and their leadership style will differ, clients want to see a vendor or supplier guided by a single set of values that drive behaviors. They want to see one culture driven by these values. They expect that these values drive performance that is predictable and desirable.

“When we see things (in our business unit or others) that seem to oppose this initiative, we need an agnostic escalation point that represents ‘MediaCorp’ ... not just a slice of MediaCorp.” (1MC150)

The lack of leadership conformity within BUs and at corporate suggests to clients that they cannot predict the behavior of leaders when they engage leadership at their vendor location.

A vision and mission statement was made public by MediaCorps’ leadership following significant discussion on the topic. Supplemental statements were made with regard to sub-aspects of the statements related to security, quality, and service levels to provide additional detail on responsibilities.

As the MOS scaled, the culture driven by these statements was transferred to each additional business unit in the overall organization.

Ultimately, the mandate for leadership is to execute capacity and strategy so that internal and external stakeholders obtain value from the relationship that they have with each other.

It follows then, that the theme pattern from the comments on execution that emerged in the study focused on capacity management and executing strategic plans. This may include rolling out a new business system or new feature deployments. It may include technology enhancement rollouts or space optimization measures. By promoting leadership in the organization, the vertical leader is encouraging P&L accountability. This leads to involvement in pricing negotiations and cost reduction initiatives to promote profitability. While an execution leader oversees and directs the local operation, he or she also exploits support functions as needed to support growth initiatives. The vertical leader engages local leadership and encourages employees to be engaged in and influence internal/external service excellence, as well as growth initiatives thereby encouraging a performance culture. The success of the P&L would be measured by process-cost and service-performance levels. These are competing variables. The local leader oversees all products that flow through the business unit. On the one hand, the leader needs to minimize cost and on the other, negotiate the best price for services to create margin. This leader needs to develop reliable leaders to oversee product reliability and the resources needed to deliver the desired configuration. This may include leadership selection, mentoring, and succession planning. The local team will need to embrace a supply chain culture of collaboration and sharing which includes offshore support. The location evolves as improvements are made in technology, policy, and process. As effective leaders are engaged, they can solve problems, production, or system issues. The team needs to be resilient to handle the challenge of large projects with help from the network. The 44 themes that emerged from 94 rich data descriptions are included in Table 1 below.

**Table 1.** Execution Leadership Themes

<b>Leadership: Execution Theme</b>	<b>Count</b>
Leverage network capacity	13
Execute plans	8
Coordinate ERP deployment	6
Lower costs	5
Exploit support	4
Local operational effectiveness	4
P&L accountability	3
Labor allocation	3
Promote leadership	3
Negotiate pricing	3
Mitigate capacity constraints	2
Manage KPIs	2
Leadership	2
Oversees product line	2
Resource oversight	2
Mature leads	2
Drive succession planning	2
Fact based decisions	2
Offshore support	1
Supply chain culture	1
Create culture	1
Manage operational performance	1
Space optimization	1
Evolve technology	1
Policy management	1
Evolve the organization	1
Handle large initiatives	1
Implement solutions	1
Lead initiatives	1
Engagement	1
Inventory management	1
Backup leadership	1
Lead training	1
Talent retention	1
Engage leads	1
Production issues	1
Resolve problems	1
Resolve system issues	1
Life-cycle exploitation	1
Negotiate contracts	1
External servicing	1
Internal servicing	1
Special quotes	1
Support direction	1
<b>Total</b>	<b>94</b>

The theme map for execution leadership that is eight categories; capacity, culture, financial, illustrated in Figure 2 shows the emergent data in execution, mentor, sales, strategy, and issue



management. In the geographic locations, execution leadership drives profitability. The data suggested that profitability is influenced by lower cost structures, effective pricing negotiations, and financial accountability as the leader oversees each line of business. Lower costs structures relate to shared allocations and the optimization of space and capacity. The vertical leader needs to anticipate capacity needs, deal with constraints by leveraging the network, and support the network to return the favor. The second pattern in the data was culture. Vertical leaders suggested that they need to establish and manage the culture and that it should be supply-chain centric. Keeping talent is a challenge. Finding the right talent is a start. Mentoring and being a role model helps to mature this talent. When this talent is retained, there is good 'bench strength' in the event that a leader decides to leave.

“[I will] lead priorities for cross training, talent retention, and succession planning.” (RV315)

Within the location, the leader promotes leadership capability and creates a suitable culture. Team efficacy is driven by skills training and leadership coaching, while capacity is hampered by leaders who are not engaged. The location leader assures engagement by leaders and encourages leaders to promote engagement within their team leaders. Continuous performance is critical, as full financial accountability for the P&L falls on this leader. The location leaders, therefore, need to be aware of the current state and be mitigating costs where possible to enhance their financial position. Good talent can help with this.

From a sales perspective the vertical leader needs to engage in quoting for work requested and pushing for overages based on special requests outside of the quoted workflow. Involvement in contracts is critical, as terms can directly affect profitability. Each line of business has a life-cycle. This should be understood and pricing strategies should be used depending on products' positions in the life-cycle. Furthermore, an execution leadership stance promotes growth and profitability in the following ways according to the data: they evolve technology, deploy and enhance business systems, implement current and create future strategic plans including

budgets, manage requirements, mitigate capacity constraints, create strategy ensuring alignment, and mature, enhance, streamline, and deploy points of control in workflows.

“Drive growth at [location] office toward increased market share by leveraging global resources.” (RV17)

They plan for contingencies including resource redeployment, alternate workflows, and leadership-on-demand. A location leader can enhance resource utilization through redeployment to the point of need or through appropriate local allocation.

Location leaders are responsible for executing plans, or roadmaps. They exploit operational data and metrics to determine plans and monitor changes in capacity utilization. They exploit support functions to get what they need to complete projects. This could be capital to increase capacity, as an example, to execute large client initiatives. As problems are solved and new enhancements are rolled out, the organization evolves to a better performing state. Local operational excellence is required and execution includes coordination with other business units to ensure plan completion. Daily performance excellence includes meeting internal and external client expectations. They exploit resources and manage assets with care. To do this they have to be engaged.

“[Location leaders] monitor and manage operational performance.” (RV25)

The last pattern that emerged in the data for execution leadership was strategy. Strategy is by nature dependent on execution with the anticipation of desired results achieved. To start, the vertical leader needs to support the general direction and be aligned with it. All ideation needs to conform to the goals of the MUF, while achieving local objectives as well. The leader needs to make sure that plans are executed effectively. The task list may include system enhancements or physical enhancements to the workflows.

“[I will execute] strategic analysis and placement of market opportunities by identifying and implementing solutions to maximize profit.” (RV76)



**Figure 2.** Execution leadership theme map. This figure maps execution leadership as a theme category into descriptive sub-groupings.

In summary, the data suggests that leadership is linked to execution. Execution leadership promotes growth synergies by accomplishing needed tasks while work is flowing. It sustains the flow and helps to ensure that it too can grow. It is the platform on which efforts can be made. The following propositions summarize the key findings of this section:

**Proposition 1** (negotiation leadership): Pricing negotiation leadership includes an awareness of cost reduction opportunity, regardless of current margin, and a profitability enhancement strategy.

**Proposition 2** (predictive processes): Effective leaders act such that their processes predict the dynamic changes in the marketplace.

**Proposition 3** (influential contingencies): Unanticipated influences may be controlled by contingencies that increase or replace lost capacity.

**Proposition 4** (roadmap engagement): An executable roadmap is based on performance data and is rapidly accomplished in coordination with effective and engaged leaders.

**Proposition 5** (facility network): Vertical leaders support the production facility network through a supply chain mindset that reduces carrying costs, enables the execution of high volume, and, therefore, mitigates capacity constraints.

**Proposition 6** (operational effectiveness): Local operational effectiveness is based on leadership efficacy as evidenced by focus, optimization, and deployment.

**Capacity Management.** Horizontal leaders in a MOS indicated that the management of capacity is critical to their role. The need for coordination of capacity on a global scale is critical to the success of business units that are constrained by resources being allocated to a business with extreme swings in capacity demand. This business phenomenon relates to profitability as local markets often offer up revenue opportunities that are beyond the capacity of the local facility, either by volume or type, which may be followed by times of very low volume. A significant concern of the businesses is the ability to sell any product to any market size using the strength of the MOS. The raw data suggests that the overriding concern here relates to the ability to utilize capacity ‘on-demand’ in accordance with the work load.

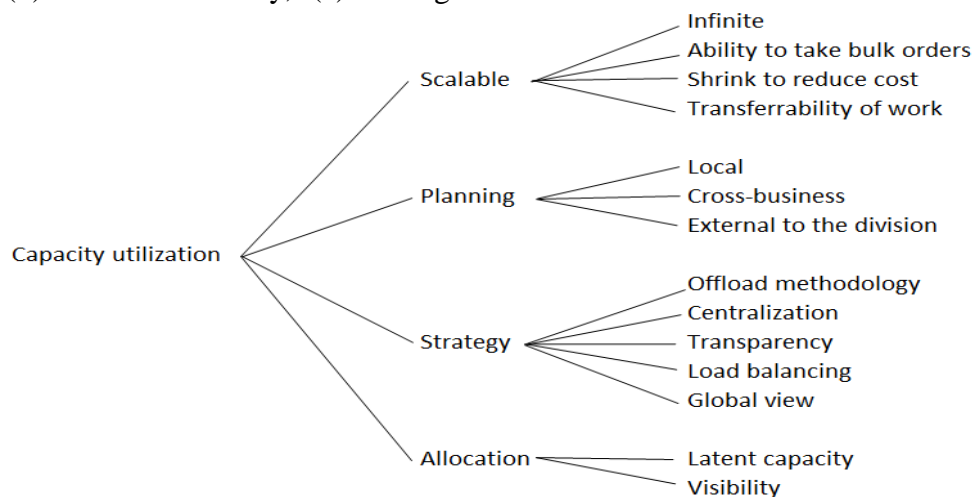
“[MOS leaders] enable MediaCorp ... facilities WW to leverage one another as a ‘globalized’ capacity to enable load balancing, service flexibility, [and the] capture of ‘limitless’ customer demand.” (RH98)

The desirable attributes of capacity availability are (a) scalability, (b) local availability, (c) strategic

planning, and (d) the appropriate allocation of capacity. Capacity management is directly linked to meeting client expectations and profitability. Additional data (for a) includes the ability to give the impression to clients and location leaders that the ‘production network’ has ‘infinite capacity’. This encourages a willingness to take on ‘bulk’ orders, for example. This has become a market trend. The MOS leaders also need to encourage locations to scale back capacity when the demand shrinks. This may depend on the ability to move work from location to location. Additional data (for b) suggests that capacity planning needs to be local, cross-business, and external to the division. Additional data (for c) suggests that capacity strategy needs to include an off-load methodology that includes the financial aspect of site-based revenue recognition and embraces the idea of functional centralization. Finally, additional data (for d) suggests that the allocation of capacity is driven by visibility into available resources, especially any latent capacity. A leader’s success in the MOS relates to the ability to manage capacity effectively across the network of facilities; however, resources expended need to match the work that is being run.

“[MOS leaders] determine the needs of each local facility in ... production and level of support required.” (RH14)

“[MOS leaders] work closely with facility leaders worldwide, to establish effective load balancing and off-load methods to eliminate capacity constraints in local offices.” (RH16)



**Figure 3.** Capacity utilization theme map. This figure maps capacity utilization as a theme category into descriptive sub-groupings.

In summary, the data suggests that capacity is critical to the network-based production (NBP) model. MOS leaders are able to scale capacity within the network, regardless of volume trends. This includes the ability to take spikes in a pooled capacity construct. This capability is dependent on the ability to shift work anywhere in the network and is subject to planning, a methodology for work shifting, and transparency about capabilities and resources. The following propositions summarize the key findings of this section:

**Proposition 7 (allocated capacity):** Clients will allocate volume work to vendors perceived to have both the technical ability to meet their specifications and the availability of more than sufficient capacity to process the volume.

**Proposition 8 (local markets):** As local markets originate orders, local facilities need to leverage known available network capacity to meet client expectations.

**Strategy and Execution.** MediaCorp strategy is driven through the discovery and execution of opportunities. Transparency is provided through the use of strategic task trackers and periodic progress reviews. To ensure that margins are improved, strategic action may include business reorientations, megatrend exploitation, portfolio-expanding innovation, customer enquiry for opportunity, talent optimization, and penetration initiatives. Storefront location managers were liberated to oversell capacity. Products/services managers had to optimize product profitability by relocating capacity. Support function leaders were able to standardize and redeploy hardware, software, and storage, and optimize the performance of systems in all locations. Sales leaders were able to exploit all opportunities for existing and new customer spends.

In summary, the data suggests that action, when selected and focused, can achieve high levels of profitability for multi-unit firms. The organization design that is described by the MOS is ideal for the discovery, prioritization, and exploitation of profitable opportunities. Financial support encourages action through measurement, monitoring, and rewarding achievement. Finance also provides analysis that supports capital

investment, appropriate pricing, and profitability monitoring. LIMs add to the structure of the MOS and support profitable growth. LIMs help with the sharing of knowledge, gain across the organization, and transparency. Corporate provides strategic awareness and the gap between current reality and expectations. Corporate can also assist with reward systems that guide the right behavior. The following propositions summarize the key findings of this section:

**Proposition 9 (nimble construct):** The MOS is a nimble organizational construct that can effectively exploit focused action to realize synergistic profitability.

**Proposition 10 (mutual profitability):** A sequence of tasks, quickly discovered and effectively executed, can lead to mutual benefit between business units that collaborate.

**Proposition 11 (economized energy):** Energy consumption, aligned to realize a local synergistic opportunity, is minimized in a MOS augmented by LIMs and supported by the corporate center.

**Proposition 12 (intrinsically aligned):** A MOS is intrinsically aligned as the structure that is connected and through which tasks are shared by relevant functions needed to achieve growth synergies.

**Proposition 13 (scalable synergy):** A MOS can drive synergistic focused action that, when exploited, can realize scaling that includes expansion, consolidation, and the integration of business units.

**Proposition 14 (evolving mitigation):** A MOS can be leveraged to support cost mitigation through a continuously evolving organizational effectiveness that is superior to that of competitors.

**Proposition 15 (inspiring finance):** Finance, as a supporting function, augments the self-interest in a MOS by promoting performance transparency and inspirational reward systems.

**Proposition 16 (monitoring mechanisms):** LIMs augment the MOS's ability to realize synergistic growth by focusing action execution through collaborative task monitoring mechanisms.

**Proposition 17** (super system): The ERP system, a significantly influential LIM, is a super-additive, as it enables scalable organizational efficacy by promoting cost effectiveness, transparency, and workflow control.

**Proposition 18** (corporate resource): The corporate center provides relevant information needed to exploit resources effectively in fulfillment of MUF strategic objectives.

**Summary.** In summary, this study has shown that execution leadership is closely related to capacity and strategy enactment. MOS execution leaders are able to scale capacity within the network, regardless of volume trends. This includes the ability to take spikes in a pooled capacity construct. Furthermore, when action is focused and supported across the organizational construct, the enterprise can expect sustained corporate advantage. Executing collaboratively presents limitless possibilities for operational excellence and the opportunity for a competitive advantage.

### **Conclusions**

The purpose of this qualitative phenomenological research study was to explore opportunities for performance enhancement using a single case study of a multi-unit firm by examining how a complex organizational design could realize growth in a dynamic market. During the study eighteen propositions were listed as theory building elements for execution leadership in an MNE. Execution leadership is critical for timing in dealing with business issues. For example, recent studies have begun to suggest that products and services are experiencing shorter life-cycles (D'Aveni, Dagnino, & Smith, 2010). For the purpose of this study the phenomenon or object of the analysis was the precipitating event that led to permanent cross-business collaboration within the MNE. The unit of analysis on which the phenomenon was studied is the strategy and the organizational design that leads to sustainable desired outcomes. Sustainable outcomes are achievable across multiple product life-cycles if performance within the sequence of life-cycles is optimized.

### **Contributions to Theory**

The primary contribution of this article is new empirical insights about the effects of execution leadership on growth realization in an MNE. These results are, therefore, relevant to the achievement of sustained profitability and competitive advantage by focusing a multi-unit firm on business unit capability and execution. Eighteen propositions were extracted from the participants instigated by a precipitated event that contribute to theory on execution leadership in an MNE with a global supply chain. The result is outcomes that are influenced by execution leadership. These are described in detail and are useful for understanding the achievement of sustained corporate advantage.

### **Limitations and Future Research**

The author attempted to develop generalizable theoretical findings based on the empirical results of a case study. Even so, this study encountered several limitations concerning theory and empirical study. The limitations were as follows:

1. There are some weaknesses regarding the generalizability of the findings. The single case study approach was based on approximately twenty in-depth interviews. Given that the phenomenon under investigation is novel and complex, this methodological choice seems reasonable. The research method mandates that in-depth observation is required for collecting and analyzing the resultant holistic data (Eisenhardt, 1989; Miles & Huberman, 1994; Siggelkow 2007; Yin, 1994). The choice of a phenomenological case study using a qualitative approach is affirmed; however, the generalizability of results is not exact due to the context of the case. The context is defined as a moderately dynamic environment, a large size organization with a multi-national organizational structure, and a business with a relatively low degree of relatedness within a vertically integrated value chain. Other firm-specific factors, such as company history, may influence the exactness of the generalizations. The author understands that comparative case studies within similar contexts would help better ground evolving theories.

2. A single case study approach does not make it possible to determine the significance and weighting of drivers for the realization of sustainable growth.

Drivers may occur in unique situations relevant to the single case study; however, they may not be relevant in general. Consequently, their general relevance may not be understood. This includes the relative importance of strategic actions and organizational design factors.

3. The research was limited by subjective interpretations of the data. This led to various theoretical constructs from qualitative information provided by participants. Subjective biases are reduced through the review of the coding process (Yin, 1994), using key informants for validating results (Mayring, 1996), and by following data analysis (Strauss & Corbin, 1990, 1996). Even so, this research still has associated risk due to potential subjective and invalid interpretations of quotations.

4. Several meaningful metrics, from preexisting company data, were used to assess the extent to which growth was successfully realized. Metrics such as average changes in interview ratings, job descriptions, qualitative assessments validating performance, and financial results over a time span of ten months were among the preexisting data that was used. While this is a short period for the assessment of sustained growth synergies, the author feels that this is adequate given the speed of the change driven by the transition from an M-form design to a multi-dimensional design. Additionally, this data was augmented and validated by interview data that was collected over approximately sixty days and which related to the experiences of the stakeholders who went through the transition. In the event that a longer period of time would have been used for the investigation, other important success factors may have emerged. Unfortunately, a longer-term observation period was beyond the time scope allotted to this study and this additional data would likely have produced little additional value.

5. While this research design is holistic and multi-faceted, there were some limitations with regard to theory building. The nature of phenomena under investigation is complex as it includes strategic focused action, organizational design, and corporate management. As a result, the development of a complete and fulsome theory is constrained (Miles & Huberman, 1994). Given that reality based phenomena tends to be complicated, it follows that

this study can only offer a mid-range theory of continuous growth realization while developing thought-provoking and new perspectives that may inspire creative theorizing in the future.

6. Finally, the selection of variables may be incomplete. While the analysis is focused on MNE factors of growth realization, like execution leadership, other factors like leadership efficacy, human resource inspiration, and the embedding of human networks were generally neglected. These factors at the initiative level and personal level may impact successful cross-business unit collaboration (Martin, 2002; Martin & Eisenhardt, 2010) and, consequently, on the sustainable realization of growth synergies. As a result, the author suggests that further research is required for developing a more holistic theory on realizing sustainable growth synergies.

The author anticipates that these propositions will stimulate further research as organizational performance is significantly complex and situational. These observations are meant to stimulate further thinking. By studying the distinctive features of execution leadership, the author hopes that interest has been sparked on researching aspects of performance that have not been covered.

## **References**

1. Avolio, B. J., & Kahai, S. S. (2003). Adding the "E" to E-Leadership: How it may impact your leadership. *Organizational Dynamics*, 31(4), 325-338.
2. Antonakis, J., & Atwater, L. (2002). Leader distance: A review and a proposed theory. *The Leadership Quarterly*, 13(6), 673-704.
3. Bartlett, C. A., & Ghoshal, S. (1997). The Myth of the generic manager: New personal competencies for new management. *California Management Review*, 40(1), 92-116.
4. Bogardus, E. S. (1927). Leadership and social distance. *Sociology and Social Research*. 12, 173-178.
5. Creswell, J.W. (2014). *Research design: Qualitative, quantitative, and mixed methods approaches*. Thousand Oaks, CA: Sage.

6. Cummings, J. & Teng, B. (2003). Transferring R&D knowledge: The key factors affecting knowledge transfer success. *Journal of Engineering and Technology Management*, 20, 39-68.
7. D'Aveni, R.A., Dagnino, G.B., & Smith, K.G. (2010). The age of temporary advantage. *Strategic Management Journal*, 31, 1371-1385.
8. Denzin, N. (1989). *The research act*. Englewood Cliffs, NJ: Prentice Hall.
9. Depraz, N., Varela, F., & Vermersch, P. (2003). *On becoming aware: A pragmatics of experiencing*. Philadelphia, PA: John Benjamins.
10. Doz, Y. & Kosonen, M. (2008). The dynamics of strategic agility: Nokia's rollercoaster experience. *California Management Review*, 50(3), 95-118.
11. Eisenhardt, K.M. (1989). Building theories from case study research. *Academy of Management Review*, 14: 532-550.
12. Freeman, W.J. (2000). *How brains make up their minds*. New York, NY: Columbia University Press.
13. Howell, J. M. & Hall-Merenda, K. E. (1999). The ties that bind: The impact of leader-member exchange, transformational and transactional leadership, and distance on predicting follower performance. *Journal of Applied Psychology*, 84(5), 680.
14. Jayaraman, L. L. & Min, B. K. (1993). Business ethics - A developmental perspective: The evolution of the free and mature corporation. *Journal of Business Ethics*, 12(9), 665-675.
15. Joensson, T. (2008). A multidimensional approach to employee participation and the association with social identification in organizations. *Employee Relations*, 30(6), 594-607.
16. Lamnek, S. (1995). *Qualitative sozial/forschung*. (3rd ed.). Muenchen, Germany: Psychologie Verlags Union.
17. Lincoln, Y.S., & Guba, E.G. (1985). *Naturalistic inquiry*. Newbury Park, CA: Sage.
18. Martin, J. (2002). *Cross-business synergies: recombination, modularity, and the multi-business team*. Dissertation, Stanford University.
19. Mayring, P. (1996). *Einfuehrung in die qualitative sozialforschung: Eine anleitung zu qualitativem denken*. Weinheim: Belz/PVU.
20. Miles, M. B. & Huberman, A. M. (1994). *Qualitative data analysis: an expanded sourcebook*. Thousand Oaks, CA: Sage Publishing.
21. Moustakas, C. (1994). *Phenomenological research methods*. Thousand Oaks, CA: Sage.
22. Mowday, R. T., Steers, R. M., & Porter, L. W. (1979). The measurement of organizational commitment. *Journal of vocational behavior*, 14(2), 224-247.
23. Napier, B. J., & Ferris, G. R. (1993). Distance in organizations. *Human Resource Management Review*, 3(4), 321.
24. Phelps, J. A., Rogg, K. L., Downey, R. G., & Knight, P. A. (1994). Facing the challenges of the year 2000: Learning to manage multidimensional workers. *International Journal of Public Administration*, 17(3/4), 555-587.
25. Punch, K.F. (1998). *Introduction to social research: Quantitative and qualitative approaches*. London, UK: Sage Publications.
26. Ramos-Sánchez, L., Esnil, E., Goodwin, A., Riggs, S., Touster, L. O., Wright, L. K., ... & Rodolfa, E. (2002). Negative supervisory events: Effects on supervision and supervisory alliance. *Professional Psychology: Research and Practice*, 33(2), 197.
27. Semmer, N. K., Jacobshagen, N., Meier, L. L., Elfering, A., Beehr, T. A., Kälin, W., & Tschan, F. (2015). Illegitimate tasks as a source of work stress. *Work & Stress*, 29(1), 32-56.
28. Siggelkow, N. (2007). Persuasion with case studies. *Academy of Management Journal*, 50, 20-24.
29. Stake, R.E. (1995). *The art of case study research*. Thousand Oaks, CA: Sage Publications.
30. Strauss, A., & Corbin, J. (1990). *Basics of qualitative research techniques and procedures for developing grounded theory*. New York, NY: Sage Publications.
31. Strauss, A., & Corbin, J. (1996). *Grounded Theory: Grundlagen qualitative sozialforschung*. Weinheim, Germany: Beltz.

32. Sutton, R.T. & Straw, B.M. (1995). What theory is not. *Administrative Studies Quarterly*, 40, 371-384.
33. Weick, K.E. (1995). What theory is not, theorizing is. *Administration Science Quarterly*, 40, 385-391.
34. Weick, K.E., Sutcliffe, K.M., & Obstfeld, D. (2005). Organizing and the process of sensemaking. *Organization Science*, 16(4), 409-421.
35. Yin, R.K. (1994). *Case study research: design and methods*. Newbury Park, CA: Sage Publications.