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# ORGANIZATIONAL CULTURE AS A STRATEGY

*Review  
Article*

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## **Abstract**

*This study establishes the relationship between organizational culture and organizational strategy. It also seeks to find out how a successful organization relies on its culture as a strategy to survive unstable economic conditions. In this paper, pragmatic articles on organizational culture and organizational strategy were exclusively reviewed. Authors of previous studies defined organizational culture as beliefs, assumptions and values of an organization while an organizational strategy is all about the actions an organization takes to achieve long-term goals. The literature explicitly confirmed that these two concepts are linked and had worked successfully for organizations. The review found that organizational strategy begins with a summary of the organization's beliefs, norms and values, and that organizational culture and strategy are intertwined. The study further confirmed that organizational culture could be considered as an organizational strategy because both serve the same purpose. The outcome of the study shows that organizational culture in itself is a unique strategy for organizational development. The results suggest that an organization maintains its culture as a strategy to gain a competitive advantage over its competitors.*

## INTRODUCTION

Many organizations often fold up within a very short period of their establishment as a result of the implementation of strategies that do not truly represent their identities, values and beliefs (Lizelle, 2001). Besides, globalization has undermined industrial boundaries such that organizations today are into various productive ventures that they originally did not intend to go into (OECD, 2014). Organizations go into operation to achieve objectives, and this requires a strategy to accomplish. These organizations may be considered independent entities and operate in the midst of norms, values and beliefs. An organization's strategy affects its values and the lives of the people who are related in one way or the other to the organization. These include; employees, shareholders, customers, competitors and even the environment. Buble (2015) argues that managerial policy has become over the years very crucial in the management of complex situations in organizations, because the continuation of an organization greatly depends on the quality of a chosen policy. A strategy designed for the achievement of a stated objective derives its strength from the organization's culture (Reyhniere, 1994).

Organizational culture can be a unique strategy for organizations to take advantage of their competitors (Stinnett, 2001). A successful organization relies on prudent strategy to achieve its set objectives and growth (Klein, 2011). An organizational strategy is formulated on organizational culture (Gibson, Ivancevich & Donnelly, 1997) and every organizational strategy implemented has a culture that supports it (Lizelle, 2001). A company that has a solid culture-supported strategy would not only be protected against the influence of external environment, but would as well encourage intellectual discourse on the changing trend of management sciences and culture integration strategy development and implementation (OECD, 2014).

It is important that organizations intermittently implement strategy that would result in radical organizational restructuring and reengineering at all levels of the organization at a certain point in the life of every organization (Majumdar, 2013; Buble, 2015). Reyhniere (1994) argues that a strategy implemented by employees at lower levels has always been successful. (Falah, 2015) states that any strategy implemented by the employees constantly reduces the uncertainty among the workforce and increases organizational performance. A turnaround strategy in an organization targets the internal resources and places emphasis on improving short-term and bottom-line performance (Kotler & Keller, 2012)

while policy regarding tools and techniques targets the processes within the organization and how to increase internal efficiencies (Bello & Ivanov, 2014).

Poster (1996) states that management needs an internal systems approach to evaluate how effectively an organization functions and operates. An organization is effective when it has a structure and culture that can respond to changing conditions in the environment (Poster, 1996). Flexible organizations can speed up decision-making and create products and services rapidly in a competitive environment (Jaffe, Gerould & Tobe, 1993). An organization's ability to innovate is determined by the length of time needed to make a decision, the duration needed to get new products to the market and time needed to coordinate the activities of various units of the organization (OECD, 2014). An organization that strives to surpass its competitors in efficiency, quality and innovation does a lot of work on its capability to improve goods and services delivery to constantly achieve a competitive advantage (Boris Jeremiah, Jesse & Cheng, 2018). Also, economic, political and global forces can regulate organizations and their methods of production (Kozan & Akdeniz, 2014). The North American Free Trade Agreement (NAFTA), as an economic and political union for instance has become an increasingly important force for change in member states and beyond (Mehta & Krishnan, 2004).

Organizations, for all time employ the services of managers who will work in line with the culture of the organization so as to promote efficiency and ensure that social norms and cohesiveness are not disrupted (Alvesson, 2002). Any drastic shift may result in setting up new goals and a new structure to the detriment of organizational culture which may have consequences at all levels within the organization (Appiah & Amfo-Antiri, 2019). Employees may possess talents and personal traits, but they still need leadership, especially ethical leadership to shape their behaviours in the organization, since only talents and traits cannot create and sustain outstanding performance to enable the organization retain its culture and to achieve its set objectives (Politis, 2001). Ethical leadership is a kind of emotional bond that encourages employees to develop desirable behaviour and articulate clear and consistent sense of purpose (Appiah & Amfo-Antiri, 2019). Ethical leadership takes the risks required of creativity to manage conflict in ways that would benefit the individual, stakeholder and organization (Stinnett, 2001). Racquel (2016) argues that organizations ought to be mindful of leadership behaviour, because not all actions of leaders shape behaviour of the employee, since the exercise of power can persuade workforce to behave in a way that may be harmful to the organization and even themselves.

The purpose of this study is to examine the connection between two variables; organizational culture and organizational strategy and how leadership as an extraneous variable can help in a successful implementation of these interdependent variables, because leaders decide the type of leadership style to go by for a specific objective to be achieved in a given situation. Kozan and Akdeniz (2014) confirm that norms, values and beliefs play a significant role in choosing a leadership style in organizations. The study further exemplifies the synonymous use of organizational culture and organizational strategy coupled with the significance of leadership styles in achieving organizational goals. The paper provides an extensive literature on organizational culture as an organizational strategy as organizations keep struggling to balance strategy with culture in order to maintain organizational viability and effectiveness.

### **CONNECTION BETWEEN ORGANIZATIONAL CULTURE AND ORGANIZATIONAL STRATEGY**

An organizational culture is considered when putting together a proposal for organizational strategy, however, the identity of an organization and its norms, values and beliefs are explained through the organization's strategy. Fang and Wang (2006) argue that a strategic plan, wage system, employee motivation, organizational structure, system of control, data management and leadership styles in any given organization are under the influence of organizational culture. Organizational strategy and organizational culture are essentially synonymous (Seyed, Yashar, Mohammadreza & Jamshid, 2012). Organizational culture and organizational strategy are mutually conditioned and are described as the two sides of the same coin and there is no existence of dependent and independent variable (Baird, Harrison & Reeve, 2007), because a chosen organizational culture determines the strategy implementation. The location of an organization determines its culture and products, and whatever strategic plan the organization puts in place to achieve its goal is virtually using organizational culture to take advantage of its competitors.

An organizational strategy includes the identification of a comparative advantage business location, and allocation of resources done within the framework of the product/market matrix (Đuričin, Janošević & Kaličanin, 2012). In most organizations, the resources available and customer's priority determine a purpose and the general objective that the organizations seek to achieve. This objective usually has a link with the organization's strategy and organization's culture.

Also, there are other extraneous factors such as leadership which is very necessary to ensure that organizational culture and organizational strategy remain connected, and the identity of the organization at any given point in time is clearly perceived as being demonstrated in (Figure 1).

Strategy and culture are the basic instruments that leaders deploy in the quest to achieve organizational growth and development. Organizational culture determines the strategy of the organization, because the type of strategy an organization uses depends on its culture (Naranjo-Valencia, Jimenez-Jimenez & Sanz-Valle, 2011). A strategy outlines organization's goals and the principles around them. It also encourages employees to work towards the achievement of the goals/objectives that the organization set for itself whereas culture expresses these same objectives through values, beliefs, group norms and shared assumptions (Boris et al., 2018). An organization's strategic plan often reflects its core beliefs, cultural traits and managerial values (Naranjo-Valencia et al., 2011) as they dwell in management's strategic thinking and can respond to external forces. Organizational culture influences strategy formulation and implementation, however, a prolonged use of certain strategies may have influence on organizational culture by either strengthening or completely changing the existing culture (Klein, 2011). Management frequently encourages integration of culture and strategy in innovative strategy implementation so as to achieve the objective of the new strategy (Baird et al., 2007).

The lack of extensive knowledge on the bond between culture and strategy coupled with poor leadership in organizations has resulted into management's inability to manage organizational culture as organization's strategy. Little or no knowledge on the co-existent of culture and strategy has led to management failure to accept the component of culture in a strategic plan and subsequently become unsuccessful in achieving growth (Johnson et al., 2008). Ethical leaders in particular do energize organizations for change, but build commitment to organizational culture and are charged with the responsibility to translate such commitment into action (Appiah & Amfo-Antiri, 2019). This paper provides empirical evidence of the link between organizational culture and organizational strategy (Figure 1). An organization consistently uses its culture to remain in business by focusing on its strategic location, the available resources, quality of the product, market segmentation and employee motivation as a strategy to achieve organizational objective. Porter (1996) posits that when organizations design strategies to transform behaviour, those strategies improve employee capability and it is for strategic renewal process that can align all other factors and

elements within the organization to achieve strategic goals.

### **ORGANIZATIONAL STRATEGY**

The use of the word strategy can be traced back to so many centuries. An organizational strategy is a summary of activities organizations rely on to achieve long-term goals (Johnson, 2019), and these actions form the organization's strategic plan which is usually planned to complete in not less than two years. Strategic management was first used in the 1950s and widely accepted by many organizations between the mid-1960s and 1970s as a match for business environment (David, 2011). The existence of strategy in management affairs has not been that long (Kotler & Keller, 2012). Von Clausewitz, (1992) states that strategy is originated from the military and was the term used where in war one party takes the best decision to defeat the other by assessing advantages of victory as against costs incurred by the war. Strategy is associated with the leadership of an army (Business Dictionary, 2013) as it is the art and science of gathering resources for efficient and effective use.

A strategy can, therefore, be explained as a deliberate decision backed by available resources to take advantage of a business competitor. It is a business tool for the achievement of organizational objectives and goals. Ulwick (1999) explains strategy simply as a plan that describes what intend an organization takes to achieve a stated mission. A well designed and implemented market strategy, product and service strategy, and strategies that support management processes are critical for organizations to stay in business. A strategy is an organization's framework for the assessment of various decisions to ensure that organizational objectives are achieved (David, 2011; Kotler & Keller, 2012).

Poster (1996) explains strategy as being different and a deliberate choice of a different set of activities that will deliver a unique mix of value. The meaning of strategy goes beyond the allocation of resources (Hamel & Prahalad, 1994). Strategy is a source of organization's strength in which decisions are derived from to deal with the environment (Mintzberg, 1994). An organizational strategy is a kind of plan that encourages employees to coordinate their efforts, communicate more honestly and freely, develop innovative skills and manage conflicts in ways that benefit the organization (Poster, 1996).

An organizational strategy is formulated on available resources, scope and the company's core competency with emphasis on its comparative advantage by diverting resources from elsewhere in the direction of its strength within the

organization (Johnson, 2019). The organization's strategy begins with a summary of the organization's norms and values, beliefs, vision, mission and a plan of action that would achieve the organization's objectives and goals (Johnson et al., 2008). Organizational strategy designed on values, beliefs, mission and vision is often considered very essential with which stakeholders contentedly work around to reach objectives and goals of the organization (Jaffe et al., 1993). Unit heads and employees are charged with the responsibility to implement a strategy that emanated from beliefs and values by marshalling allocated resources to ensure that the strategy corresponds with goals and activities at the various levels of operations frequently received maximum attention (Watson, 2006).

An organizational strategy inevitably involves the organization's employees so as to enable them perceive the strategy and its content feasible with regards to the culture of the organization (Bello & Ivanov, 2014). The employees assess the strategy's appropriateness, the role it has for them and various units within the organization in order to reach the organization's preferred goals (Skøien Erdahl, 2015). An organization develops strategies taking into consideration its values, beliefs, contributions of both employees and stakeholders, and should be supervised by pro-active leadership in order to achieve the organization's goals (Alvesson, 2002). An identification of a sense of purpose within the organization's mission and vision, employees are ready and willing to act in ways that are in conformity with the organization's core values and renew or accept a growth strategy that alters behaviour in the direction of the achievement of organization's objectives (Gibson et al., 1997).

A growth strategy is a deliberate action that organizations put in place to achieve organizational objectives and long term goals (Kozan & Akdeniz, 2014). In an organization, both annual and long-term strategic plans are designed with the consideration of the company's current resources and its existent culture and growth strategies (Majumdar, 2013). A strategic plan frequently delves in organization's resources and possible opportunities within the firm's challenging environment (Kotler & Keller, 2012). The realization of organization's mission and vision is determined by the organizational strategy. A growth strategy deals with setting up the organization's vision, mission and goals in relative to the firm's strategic intent with a collective effort to understand the business environment (Mintzberg, 1987). Organization assesses and chooses a precise growth strategy for implementation with relevant policies and structures to ensure efficiency of the entire strategic planning (Wendy, 1997; Majumdar, 2013). A successful strategy implementation to a large

extend is mainly dependent on the organization's values and a mixture of factors (Thompson, Strickland & Gamble, 2007). Also, a cordial relationship between labour force and stakeholders within an organizational setting determines the successful implementation of any growth strategy (Majumdar, 2013).

A growth strategy has three phases namely; strategic locations, diversification and integration (Jaffe et al., 1993). A growth strategy brings about expansion by adding new strategic locations and setting up business at a vantage point to attract clients of existing businesses (Mintzberg, 2009). Diversification is basically producing entirely new products targeting new markets or simply adding dissimilar product lines to enable access to a new market (Johnson, 2019). The absolute control and distribution of channels devoid of external organizations can result in vertical integration whereas organization adding similar products and services to its product lines achieves horizontal integration (Mintzberg, 1987). Any growth strategy with intent to achieve results revolves on core values and beliefs of the organization (Alvesson, 2002).

Social networking is the 21<sup>st</sup> century's fastest growth strategy that penetrates markets and seizes available knowledge and new opportunities (Kozan & Akdeniz, 2014). Companies from different locations do work together as a team and have equal access to growth opportunities and support (Racquel, 2016) as these companies receive both technical and financial backups from other industries through social Networking. Besides, employee motivation and positive attitude towards customers are fundamentals in growth strategy (Prajogo, Mcdermott, & Mcdermott, 2013; Bello & Ivanov, 2014). Management attitude and its chosen leadership styles have influence on growth strategy and values of the organization (Kozan & Akdeniz, 2014).

The function of organizational strategy is not limited to the achievement of objective(s) and attainment of the organization's long-term goals, but covers the mission, vision and how the employees will perceive and work with the strategy (Skøien Erdahl, 2015). The understanding of the actual function and role of a strategy in organization reflects upon useful applications of organization's culture (Alvesson, 2002). Culture and strategy are often intertwined, because strategy is built on the organization's culture while the organization achieves its objectives on strategy (Lund, 2003). Therefore, a strategy is considered cultural manifestation in pursuit of organizational goals.

Johnson (2019) indicates that organizational strategy takes into consideration growth, diversification, integration and perhaps, a retrench for the stabilization of a company. The authors of

organizational strategy in recent era had various viewpoints about the concept which include conventional, modernist approaches and symbolic-interpretive approaches (Skøien Erdahl, 2015). An organizational strategy may be required to ensure that the organization achieves its desired position and creates a sustainable comparative advantage (Ulwick, 1999). A strategy may be formulated to reduce production cost and increase customer satisfaction (Skøien Erdahl, 2015). Kozan and Akdeniz (2014) confirm that strategy is required for market segmentation and customised products. A strategy is also required for hiring new employees and improving product development process (Ulwick, 1999).

The ambition of a well planned organizational strategy is to find better ways of using resources and capabilities to ensure that the organization has the ability to create value and improve returns to its stakeholders (Seyed et al, 2012). Even Google, Apple, and Facebook, the prosperous and high-performing organizations need to continuously change the way they operate over time so that they can go with the challenges (Klein, 2011). The ability of organizations to adapt a variety of organizational culture and constantly support expatriate managers adjust to the economic, political, and cultural values of the countries in which they positioned is another form of global challenges (Johnson, 2019) that confront organizations in today's business environment. Strategy for managing a diverse workforce is deemed a right approach to demographic and social forces, one of the major challenges organizations have to deal with in the 21<sup>st</sup> century (Skøien Erdahl, 2015). The composition of the workforce and the growing diversity of employees present organizations a challenge (Johnson, 2019).

## **ORGANIZATIONAL CULTURE**

An organizational culture is originated from the history of the organization which deals with the heroes and the role models of the organization (Rue & Byras, 1992). The culture of organizations became a tropical issue in the early 1980s when employers and unit directors detected that culture had great impact on productivity and employees' commitment (Lund, 2003). An organizational culture is the beliefs, assumptions, and values of an organization (Schein, 2010). It is also defined as beliefs, values and systems based on semantic interpretations often understood by the workforce and the uniqueness in which the organization nourishes and maintains development (Matkó & Takács, 2017). The concept organizational culture is about the rules of conduct, leadership styles, managerial procedures and traditions of the organization (Mehta & Krishnan, 2004).

Organizational culture is a system of assumptions, values, norms and attitudes manifested through symbols (Klein, 2011) and in which employees gain knowledge so as to respond appropriately to the challenges of the business world. An organizational culture is a principle of collective efforts of employees and management to put up attitudes that will envisage invention, shared values and encourage commitment to duty so that they can increase productivity (Lund, 2003).

Culture in itself is an artefact that manifests in groups, norms, beliefs, values, traditions and customs (Schein, 2010). Culture is an abstract concept which cannot be touched, measured and quantified (Boris et al., 2018). The definition of culture is embedded in its influence on the employee, stakeholders' contributions to organizations, organizational productivity and management of organizations (Flanagan, 1995). Culture has no definite meaning, though all the definitions and the description of culture are closed in the opinion they convey (Seyed et al., 2012), because norms and rules in a society, beliefs and shared values noted for membership unification and consolidation of potent behaviour are description of culture. Culture can either be described as strong or weak, strong organizational culture is associated with successful companies (Mehta & Krishnan, 2004), and are made weightier by external environment and globalization (Dauber, Fink & Yolles, 2012). A model by Cameron and Quinn (1999) position culture in four different perspectives; hierarchy culture which focuses on internal efficiency, cooperation and core values of the organization. Clan culture also known as family culture looks into internal matters (Cameron & Quinn 1999), though it places emphasis on flexibility as against organizational stability. Seyed et al., (2012) says family culture encourages partnership, teamwork, and company's commitment to providing for human resource development. But market culture concerns with the organization's external affairs where resistance to threat is a hallmark for high level of production and competition (Seyed et al., 2012). Contrarily, adhocracy culture endorses flexibility and changes in an organization rather than being resistant to organizational change (Cameron & Quinn, 1999).

An organizational culture is threatening because technology and democracy have influence on the organization's culture that has been held for decades, and that organizations need be flexible at the implementation stage (Seyed et al., 2012). A flexible organizational culture is a motivation for charismatic and influential leaders who desire high-performing organizations (Mehta & Krishnan, 2004), hence a significant correlation between culture and ethical leadership in formulating and implementing an organization's strategy (Seyed et al., 2012). An organizational culture is traditionally

shared by every employee within the organization since its component involves methods of production, skills, discipline and technical know-how (Lizelle, 2001). The culture of an organization is developed through the business environment including organization's own products, technologies, customers and competitors (Fiol, 1991).

### MANIFESTATION OF CULTURE IN STRATEGY AND LEADERSHIP

An organizational strategy cannot be devoid of organizational culture because it develops and achieves its objectives within the culture that organization practices, whereas norms, values and beliefs are enclosed in the organization's strategy that leaders constantly rely on and expect high performance (Fiol, 1991). These ethics and attitudes are treasures of the society as the culture of the people keeps them live in harmony. Rue and Byras (1992) argue that an organizational strategy is designed in a way that would ensure every newly recruited employee understands the organization's culture whereas organizational culture is established with an aspect of socialization where an orientation programme is put in place to assist newly recruited employees to understand the ideology of the organization.

Leaders in organizations seeking high-performing are sometimes confronted with organizational culture and abandoned their desires, though they might have lay out detailed, thoughtful plans for executing strategies, but for the fact that they do not understand integration and to accept the concept of organizational culture, its power and dynamics (Boris et al., 2018). A successful implementation of organizational strategy has a strong backing from a well defined organizational culture (Reyhniere, 1994). Boris et al., (2018) state that the current organizational culture had served organizations with efficiency and *results* such that managers still viewed it as strength and fought to preserve it, threatening the success of a new strategic direction. An organization that improves performance and remains competitive entirely depends on its favourable organizational culture (Lizelle, 2001).

The implementation of organization's strategy that has no culture's implication alters the mission statement and vision that the organization is known for (Klein, 2011). Organizational culture in itself is capable of enhancing performance and development by a collective effort of management and employees than the lifting of competitors' strategy when even values cannot be learned, but only exist in its natural form in a given culture (Lund, 2003). In an organization, where there is a strategy incompatibility with the existing organizational culture, culture is considered an

obstacle to that strategy implementation (Lizelle, 2001). In addition, when a culturally unacceptable strategy is formulated, it is attributed to certain environmental pressure that demands management to overlook existing culture and accept a completely culturally unacceptable behaviour (Naranjo - Valencia et al., 2011), the consequences of incompatibility of culture and strategy are non-implementation of strategy and cultural risk. An organizational culture has always been threatened when a strategy with potential threat is copied and blindly applied (Klein, 2011), most especially where the risk cannot be identified and opposed by the existing organizational culture (Lopez, Peon & Ordas, 2004). Culture has been part of the beginning of every organization, but never received maximum attention (Stinnett, 2001), but for external pressure causing serious destructions to businesses, management has of late turned to examine organizational values, beliefs and priorities for better opportunities (Flanagan, 1995). Boris et al., (2018) argue that organizations presented with rapid and unprecedented changes in customers' demands and competitive dynamics are examined by strong organizational culture which forms part of organization's performance and behaviour guide. Flanagan (1995) confirms that some managers could not interpret the importance of organizational culture in strategy formulation and implementation. With an import of new culture, organization makes effort to encourage communication among members and questions the beliefs and norms entrenched in a new culture (Lopez et al., 2004) as that might oppose the existing culture. Lund (2003) demonstrates that an organizational culture is a requirement for assessment of management's attitude and its impact on employees' behaviour, productivity and future strategy implementation. An organizational culture has often been planned and considered unique strategy for organizations to take advantage of their competitors (Stinnett, 2001).

Organization's strategy is understood and useful when the organization's culture is known (Alvesson, 2002). Both organizational culture and organizational strategy are underlined principles for expression, interpretation and actions as they concern acts of judgement, justification, affirmation and sanction in an organization. Culture and strategy provide roadmap for the business' identity and continuity (Reyhniere, 1994). An organizational strategy is formulated on the values and beliefs of the organization which outlines the duties of employees and ensures that they understand and comply (Johnson Scholes & Whittington, 2008). An organization's culture is very much considered in strategy formulation, and strategy provides a framework for culture to thrive. It places emphasis on identification and loyalty of the organization, encourages motivation and shares

ideas among employees that will enable them to understand and appreciate their roles (Klein, 2011). A strategy emanated from culture provides pathway for management analysis of strengths, weaknesses, opportunities and threats (SWOT) of the organization (Stinnett, 2001). An organizational culture is a key in managing strategy implementation process (Van Buul, 2010). Any strategy that is formulated without reference to the values, beliefs and assumptions of all the organization's subcultures might not be a perfect demonstration of the organization and may as well not be taken into consideration as members of the organization could not understand the strategy and make sense of it (Johnson et al., 2008). The relationship between organization's culture and its strategy is the aspect of culture that is identified with the strategy passing through the entire organization and happily implemented by everyone within the organization (Alvesson, 2002). Culture has a significant impact on the design and implementation of organizational strategy because a strategy is considered a product of culture (Green, 1988).

## **LEADERSHIP**

At the mentioning of leadership, people begin to think about political and organizational leaders. Though, such conclusion could be right, but what has been left out of the definition is that leadership starts from the behaviour of the individual, and one's behaviour is often shaped by the family and community. Behaviours within families and communities are controlled by culture and values. Then, leadership can best be explained with reference to the issue tabled for discussion as the concept goes beyond influencing behaviour and directing change in organizations. "Leadership is an elusive concept. Like many complex ideas, it is deceptively easy to use in everyday conversation" (Mbah, 2016 .2).

Leadership does not mean the same everywhere, some other people considered leadership, especially a political appointment as an avenue for a few to amass wealth instead of its core mandate of influencing personal behaviour. They end up adulterating acceptable behaviour previously learned by their subordinates and the consequence is on the organization. "The collectivist culture in Japan places prime emphasis on the group rather than the individual, so the importance of individuals' own personality, needs, and desires is minimized" (Mbah, 2016 .4). Leadership generates trait, shapes behaviour and the power to influence others (Politis 2001). Leadership is a technique that leaders use to influence the behaviour and beliefs of their followers so that they can move along with them

(Wright & Taylor, 1994). Leadership is a skill used in transforming organization's resources to align with the socially accepted norm, while a leader is a key element in organization's environment, very essential in safeguarding organizational culture and its core values (Matkó, 2013).

Generally, a leader is not considered effective when his or her actions require the employees to take orders and abide by rules and regulations so that they achieve extrinsic rewards or avoid punishment (Appiah & Amfo-Antiri, 2019). Leadership is not just the enforcement of new directives to demand change in employee's behaviour (Matkó, 2013). Effective leadership shapes employees behaviour and gears towards labourer own comfort and the accomplishment of organizational goals (Politis, 2001). Leader's behaviour that demands employee's dependence undermines ethics, mobilization and efficiency, and the employee mobilization defines a leader's behaviour that creates an internal commitment to achieve additional new goals (Mbah, 2016).

### ETHICAL LEADERSHIP

According to the Oxford Dictionary, ethics is "moral principles that govern a person's behaviour or the conducting of an activity". Ethics relates to both good and bad deeds, a person's ability to distinguish between right and wrong. Ethical leadership is where the leader makes obvious conduct that is wholly acceptable and appropriate in any organization by placing emphasis on ethical standards and issues, and determining how these factors can influence society (Appiah & Amfo-Antiri, 2019). Ethical leadership is considered a solution for creating balance between the wellbeing of the subordinates and the wider community as well as the organization's profitability (Appiah & Amfo-Antiri, 2019)

Ethical leader plays a very vital role in the midst of organizational culture and organizational strategy. Ethical leader applies ethics to management by considering ethics in decisions making and setting boundaries within the organization (Appiah & Amfo-Antiri, 2019). With ethical leadership, strategy is formulated based on the core values of the organization and the code of ethics set by the organization as it would ultimately inspire employees and create a positive experience for everyone involved in the organization (Appiah & Amfo-Antiri, 2019). Ethical leader expands and increases production and profits for the organization through the 4-V model, which are Value, Vision, Voice and Virtue. This 4-V model integrates the internal beliefs and values with the external behaviours and prescribes actions to be taken for the purpose of achieving competitive advantage (Appiah & Amfo-Antiri, 2019).

### CONCLUSIONS AND RECOMMENDATION

In conclusion, an organizational culture is a comprehensive strategy for organization to take advantage of its competitors. Organizations folding up within a very short period of their establishment can be traced to the implementation of a strategy that does not represent the organization's culture (Lizelle, 2001). Both organizational culture and organizational strategy work in harmony to bring about improvement to the organization. Strategy determines how management gathers information, employee's role in achieving organizational goals, how they perceive and interpret the environment and the organization's resources whereas organizational culture influences strategy implementation by accepting or rejecting the strategy depending on the consistency between cultural values and the selected strategy. An organization's strategy certainly involves opinions of stakeholders so that they perceive the culture content feasible for implementation. Organization survives on realistic strategies and these strategies are formulated on organization's culture. By implication, organizations live on their cultures and strategies. Also, an organizational strategy is not planned without the element of the organization's culture. It develops within the culture of the organization, whereas organization's culture manifests in the organizational strategy (Fiol, 1991).

The connection between organizational culture and organizational strategy reflects upon useful applications of organizational culture functioning in organizational strategy. A successful organization has always been identified by its culture manifesting in the strategic plan (Mehta & Krishnan 2004). The culture of an organization develops through the business environment consist of organization's own products, technologies, customers and competitors. In an organization, where the employees have shared knowledge on hidden values and beliefs of the organisation, a strong organisational culture is characteristic (Matkó & Takács, 2017), the employees' contribution to protecting these values and beliefs bring about a strong feel of connection to and ownership of the organisation. Managers and employers in recent times have turned to consider organization's core values, beliefs and priorities for better opportunities to withstand external forces (Flanagan, 1995). The current organizational culture had served various organizations with efficiency and *results* such that managers today still view it as strength worth fighting for its preservation threatening the success of a new strategic direction (Boris et al., 2018).

An organizational strategy derived from the organizational culture often provides space for the



employee's participation and a pathway for an effective and ethical leaders to make an assessment of the strengths, weaknesses, opportunities and threats (SWOT) of the organization (Stinnett, 2001). "Ethical leadership is influencing people through ethics" (Appiah & Amfo-Antiri, 2019), while effective leaders are determined by how employees will react in respond to their actions. Leaders ought to forge emotional bond between employees and the organization. The behaviour of a leader is particularly important in transforming one's live, and is meant to impact the attitudes of others within the organization (Appiah & Amfo-Antiri, 2019). Employees normally become co-operative when they are familiar with a sense of purpose in the organization's mission, vision, core values and renewed strategies that will change their behaviours in ways that can lead the organization to achieve its set goals. The influence of behaviour for exchange of effort with reference to reward in any given organization has never been considered a bad practice, because individuals need some motivations to put up their best. Though, effective and ethical leadership is never recognized by enticement.

An incentive on the other hand cannot be the only fundamental human drive as employees may also have a need to bond, to form network and to be part of mutually reinforcing relationships. Managers who place emphasis on blend management approaches could be more competent in managing their organizations effectively as against absolute reliance on efficiency and organizational strategy (Falah, 2015). Leaders' inability to work with organizational strategy as organizational culture and failure to create opportunities for emotional bonding among employees, achieve less in their organizations. Nevertheless, there is a distinction between organizational culture and organizational strategy. An organizational culture is inherited, learned and adapted, whereas organizational strategy is designed, implemented and can be changed when and where the need arises. It is so critical that an ethical leader takes steps to encourage ethical behaviour in the face of increasing government, political, and social demands, so that the employee will be more responsible and present honest behaviour in the corporate world (Flanagan, 1995).

It is recommended that a further study be conducted on the topic that would require research participants and use of questionnaires in data collection as this study was limited by the World Health Organization (WHO) Covid-19 protocol.

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LIST OF FIGURES

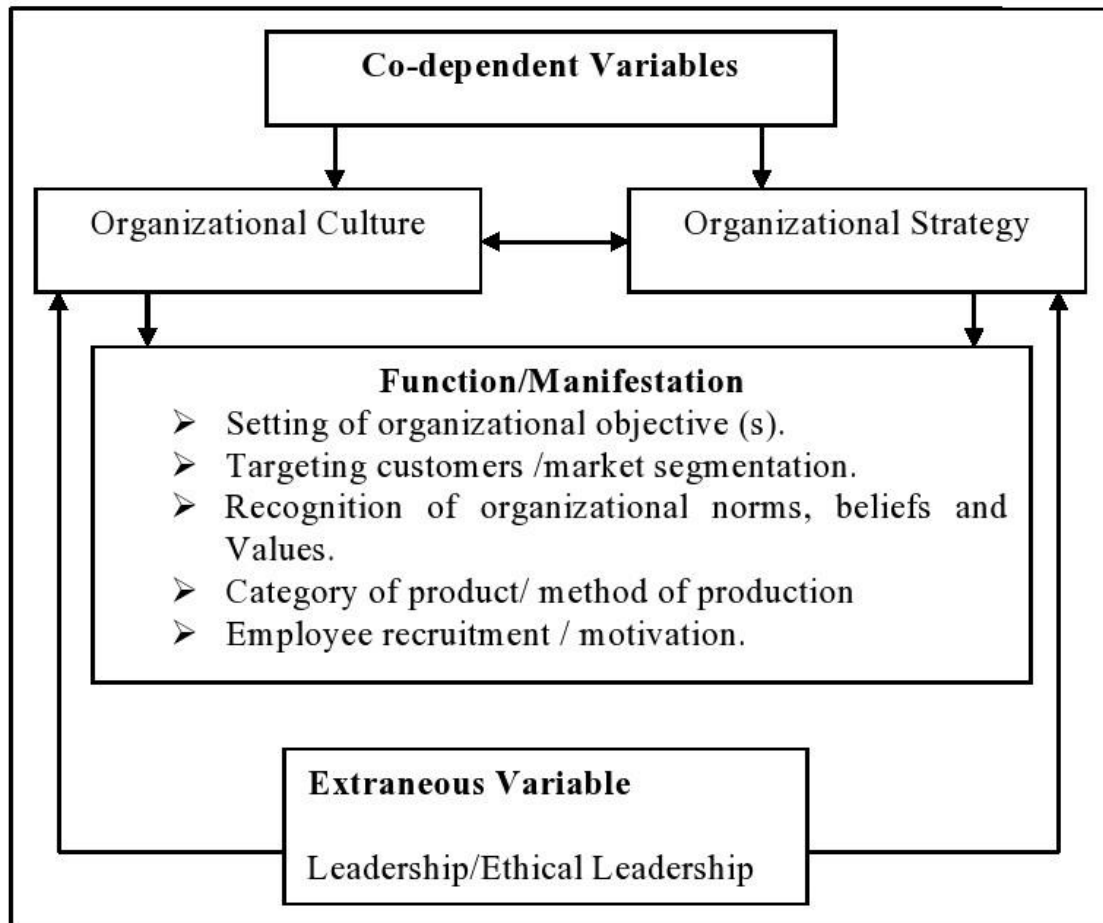


Figure 1  
**Theoretical Framework**  
*Source: Own source*