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IN SEARCH OF GLOBAL LEADERSHIP

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ABSTRACT

Globalization continues to affect organizations at different levels. This calls for a corresponding shift in global leadership paradigms. Strategic leaders in organizations require a more diverse repertoire of attributes to effectively confront emerging global challenges such as free flow of capital and labor, changing technologies and cultural dynamics. Further, global effects are not confined to global organizations. Previous research on strategic leaders has borrowed leader characteristics from other disciplines. Such characteristics do not fully address current and emergent issues confronting strategic leaders in organizations. This study integrates essential strategic leader characteristics necessary to effectively manage globalization and steer the organization towards better strategic focus with respect to environmental turbulence. Essential strategic leader characteristics are future orientation, propensity to take action, propensity to take risks, and absorptive capacity. Combinatory effects of strategic leader characteristics are essential for effective strategic focus.

Keywords: Global leadership, leadership characteristics, strategic focus

Introduction

Globalization continues to present unprecedented challenges to the strategic leadership of many organizations. Effects of globalization are not only confined to global enterprises. Indirect effects on locally-oriented organizations are equally significant. Similarly, such organizations often unintendedly affect the external environment in many ways. Zonis, Lefkowitz & Wilkin (2003) aptly describe how globalization has intensified the means by which local happenings are shaped by distant events and vice versa. "Kimchi Matters" describes - not the Korean dish - but vital local conditions that are often overlooked but have far reaching unintended consequences to the global environment. From an organizational perspective, there are several principal drivers of globalization. Technology has overcome challenges of dealing with spatial space and time to provide a vehicle for real-time communications and information access. Technology is a major discontinuous change agent that has rendered conventional economic and business models insufficient in explaining emerging phenomenon. Cutting-edge technology has provided a platform for standardization and optimization of internal efficiencies in many industries. Consequently, achieving best practice is evolving as a norm rather than a competitive advantage in many industries. The global economy has also resulted to a shift in centers of economic activity. Emerging economies at the bottom of the pyramid are increasingly gaining significance. The assessed gross domestic product of these countries is in excess of $12.5 trillion, with four billion of the world's inhabitants and a rapidly expanding middle-class population. The aggregated purchasing power of this market cannot be ignored by any global CEO with intent of achieving sustained growth (Prahalad, 2004). Through technology, most forms of capital and labor can easily flow across the world as if there were no borders. Capital is multipliable and globally accessible through innovative financial instruments. Financial derivatives have been bundled to manage risk in exotic markets that were hitherto inaccessible. Ohmae (2005) succinctly sums the global economy as borderless, invisible, cyber-connected and measured in multiples. These factors along with other conditions have led to new and emergent forms of organizations. Off-shoring of jobs across the board, strategic alliances, virtual employment and contingent workers are some of the conditions that have rendered generic organizational structures less efficient in sustaining firm competitiveness. Global strategic leaders cannot effectively navigate the new terrain armed with traditional leadership characteristics. Evidently, strategic leaders require a unique set of attributes to confront these challenges. Global strategic leadership is in need of a new set of unique characteristics, which, when leveraged will enable them confront global challenges effectively. Ultimately, even strategic leaders managing firms that operate in local environments are not immune from the effects of globalization and must develop coping skills.

Strategic leadership

The study of strategic leadership has continued to draw interest in the past two decades (Boal & Hooijberg, 2000). This attention has elevated the area into mainstream strategy research, from a micro-level concept to a macro-level upper echelons paradigm (Cannella, 2001), consistent with strategy research in other areas. Early interest in

strategic leadership can be identified in most strategy studies. In his pioneering work on strategy, Chester Barnard (1938), writing on “Functions of the Executive”, discovered strategy as the main tool and executives as the main strategists in managing organizations. On the other hand, a significant body of research continued to imply that leadership was dependent variable subject to structure, process and context (Chandler, 1962; Perrow, 1970 & Selznick, 1984). This perspective has not survived the falsification process of empirical research. Recent studies have swung the pendulum back to reinforce the notion that strategic leadership is neither a dependent variable nor a benign construct but a major catalyst that serves to orchestrate change within the environment (Thompson, 1999). Strategic leadership matters and has significant impact on organizational performance and survival (Hambrick, 2007; Hambrick & Mason, 1984; Waldman, Javidan & Varella, 2004).

Through their seminal work on upper echelons theory, Hambrick & Mason (1984) developed the concept of strategic leadership as a specific stream of strategy, a source of core competence and sustainable competitive advantage. In recent times, there has been considerable interest in effectiveness of strategic leadership, especially in managing organizational change and sustaining new forms of organization structures. In the recent past, several forces such as collapse of major corporations, the death of lifetime employment and fiduciary irresponsibility have converged to bring more focus on strategic leadership. Firms are a reflection of their CEOs (Hambrick & Mason, 1984) and these leaders play an instrumental role in the performance and long-term viability of their respective organizations (Henderson, Miller & Hambrick, 2006). Extensive research on demographics as a proxy for strategic leader psychological makeup has been conducted in the past. However, such crude measures do not fully reflect the characteristics of CEOs. In order to gain a better understanding of the functioning of organizations, it seems logical to understand essential characteristics of a top leader that would make a difference in terms of how strategy is crafted and executed. Essential characteristics are attributes and qualities necessary for a strategic leader to perform his role effectively.

Previous strategic leadership studies have borrowed heavily from other fields, notably organizational behavior and psychology. While providing deep insights into leader characteristics and behavior, such studies have not been integrated into an overarching framework that can be used to chart a strategic focus and predict quantifiable organizational outcomes. Emerging global dynamics have not been integrated into the framework. Strategic leadership provides a viable link between the dynamics of globalization and internal organizational variables. Through effective leadership, the organization can effectively process and make sense of effects of globalization. Strategic leadership challenges require specific characteristics for a strategic leader to be effective in creating a focus that will meet organizational objectives while navigating the global economy.

This paper seeks to identify a combination of specific strategic leader characteristics that are necessary in sustaining a global strategic focus and organizational fit with its environment. Strategic focus is an emphasis, by the strategic leader, on key organizational plans and actions necessary for both short term and long-term performance and survival of the organization. In order to consistently maintain a strategic focus, the CEO needs to set up strategies that will facilitate a contingent fit

between the organization and the global environment, balance between short term goals and long term objectives from a variety of stakeholders and ensure that the two themes are effectively executed within the organization. In the turbulent global economic environment, strategic focus is hardly in a stable state. Effective strategic focus calls for the strategic leader to maintain a reasonable equilibrium between the organization and relevant environmental variables to the extent that the organization is able to sustain competitiveness. To succeed, the strategic leader needs a minimum repertoire of characteristics that can be effectively enacted at various stages of the strategizing process. This paper sets out to develop a combination of such characteristics that will provide the CEO with the necessary capabilities to effectively manage a constant state of alignment with the global environment while simultaneously learning and adjusting future strategic actions.

First, we review selected literature on strategic leader characteristics. Second, we provide a theoretical basis for each of the constructs. Third, we describe a framework that portrays a parsimonious combinatory effect of these characteristics. Fourth, we develop a dynamic framework that incorporates leader characteristics, global environment and strategic focus. We conclude by discussing implications for research, current individuals in strategic leadership positions and aspiring strategic leaders.

Relevant literature review

Hambrick, Geletkanyez & Fredrickson (1993) identify one of the major obstacles in strategic leadership studies, “most empirical studies on upper echelons treat psychological phenomenon as a ‘black box’ – the unobserved intervening mechanism – that causes associations between more observable characteristics and organizational outcomes.” Their study, like most strategic leadership investigations, uses tenure as a proxy for executive characteristics. While this mirrors certain behaviors of strategic leaders, it disembodies those characteristics that cannot be imputed from demographics and only offers a fragment of the full ensemble of leader characteristics. It is evident that despite efforts to understand strategic leader characteristics, more remains to be accomplished. Strategic leadership scholars have not adequately retheorized leader characteristics (borrowed from other social sciences) to reflect current and emerging scope of activities within dynamic organizational and external environmental contexts. This paper focuses on these dynamic characteristics rather than behavioral and trait attributes extensively researched over the decades.

There is a general consensus that strategic leadership happens at upper echelons of the organization. However, due to different types of organization hierarchies, it is not always clear where the means to influence firm strategy is nested. The influence process is also mediated by other factors such as firm structure and top leadership orientation. Two recent definitions shed light into what strategic leadership entails. Rowe (2001) defines strategic leadership as the ability to influence others to voluntarily make day-to-day decisions that enhance long-term viability of the organization, while maintaining its short-term financial stability. This definition implies three things about the strategic leader: 1) the leader can influence others, 2) the leader has a future-orientation and 3) the leader is cognitively complex enough to hold both short term and long term goals simultaneously. The first characteristic is addressed in

general leadership literature. The second attribute is a unique characteristic of a unique leader. Hitt & Ireland (2005) define strategic leadership as a person's ability to anticipate, envision, maintain flexibility, think strategically, and work with others to initiate changes that will create a viable future for the organization. This second definition seems to capture several characteristics: future orientation, cognitive ability, ability to focus on the big picture, interpersonal relations, propensity to act and risk taking. The anticipating and envisioning mentioned by Hitt & Ireland (2005) implies a future orientation like Rowe (2001). Maintaining flexibility implies some cognitive complexity on the part of the strategic leader, again supporting Rowe (2001). Working with others implies interpersonal skills in communication, planning and implementation. Initiating change implies being able to take action in new ways for the whole organization. Having that action prove useful in the long run implies that the leader is able to take risks effectively. The general leadership literature addresses working with others through effective interpersonal skills. However, Hitt & Ireland confirm Rowe's uniqueness of future orientation and cognitive complexity. They add the unique characteristic of risk taking and a specialized case of action taking in the whole organization change process.

Hitt & Ireland (2005) describe a strategic leader. A strategic leader is outcome and process focused, confident, but without hubris, demonstrates the importance of integrity by actions, willing to earn respect, seeks diversity, acts to anticipate environmental change, serves as the leader and as a great group member, views organizational citizens as a critical resource and operates primarily through a global mindset. Their framework appears to combine both strategic and non strategic CEO characteristics.

Recent studies have attempted to examine dimensions of strategic leader characteristics with respect to firm performance. Waldman et al (2004) found a positive relationship between charisma and firm performance. However, there was no evidence that charisma, in isolation from other characteristics, contributed to better performance. The continued use of demographic characteristics of CEOs as proxies for CEOs' cognitive frames (Hambrick, 2007; Cannella, 2001; Edmondson, Roberto & Watkins, 2003) it is reductionist by design and does not embody all dimensions of CEO characteristics. Hambrick (2007) postulates that CEO characteristics contribute to the filtering and distortion of information in a three-step process. The first process is the field of vision - where they are looking what they can see and what they can hear. The second process is selective perception - what they actually see and hear. The last step is interpretation - how they attach meaning to what they see and hear. This process highlights the main issue - CEO characteristics matter. However, psychological processes by which CEO profiles are converted into strategic choices remain in a black box.

Boal & Hooijberg (2000) extend the focus on cognition by emphasizing cognitive aspects of the CEO through a deep absorptive capacity. Absorptive capacity is borrowed from cognitive capacity theory (Streufert & Nogami, 1989). Absorptive capacity is the ability to learn and embrace new paradigms. The absorptive process involves the capacity to recognize new information, assimilate it, and apply it towards new ends. Absorptive capacity is a continuous genesis of creation and recreation where gestalts and logical structures are added or deleted from memory (Boal & Hooijberg,

2000). Absorptive capacity of strategic leaders is of particular importance because leaders in such positions have a unique ability to change or reinforce existing action patterns within organizations. We expect that the specific form of cognitive capacity of interest is absorptive capacity.

Keeping in mind that there are differences between a leader and leadership and since we are interested in those characteristics that enable strategic leadership, we choose to focus on those characteristics that are not already covered by the general leadership literature. We choose four potential characteristics to investigate further: cognitive complexity, future oriented, action taker and risk taker. We describe each area next and examine the existing literature on strategic leaders to determine if their relevant attributes might match these four areas and if there are additional characteristics to add.

Strategic leader characteristics

One of the essential characteristics of strategic leadership is absorptive capacity. Absorptive capacity capabilities enable the CEO to learn, synthesize new information and embrace new paradigms (Boal & Hooijberg, 2000). Absorptive capacity is derived from cognitive capacity theory (Fiedler & Garcia, 1987; Streufert & Nogami, 1989) and is described by Cohen & Levinthal (1990) from a path-dependency and innovation perspective of the firm. Prior related knowledge confers collective ability to recognize the value of new information, assimilate it and apply it to new ends. The framework emphasizes cognitive structures and learning as critical components of absorptive capacity. The firm's absorptive capacity is derived from the individual absorptive capacity of boundary spanners and gate keepers in key parts of the organization. Cohen & Levinthal theorize that investments in research and development are key to future absorptive capacity. The resultant firm absorptive capacity is a mosaic of individual absorptive capacities. However, organizations have a more basic requirement for absorptive capacity to – to interpret complexity, ambiguity and other unfamiliar environmental conditions and translate pertinent variables into actionable information within the organization. This paper adapts the view that the CEO's absorptive capacity is informed by Cohen & Levinthal's perspective with respect to cognitive structures, prior knowledge, learning and boundary spanning roles. The development of organizational absorptive capacity would present daunting challenges without positional legitimacy, a deliberative attitude to infuse new paradigms, and communications tools to provide linkages with the rest of the organization. These responsibilities cannot be delegated down the organizational hierarchy or diffuse within the organization organically from their origins. CEOs and TMTs are uniquely placed to execute this role.

Learning requires considerable conceptual skills and a high level of abstraction. Without a superior and dynamic level of abstraction, strategic leaders cannot deal with basic components of strategizing, reducing complexities to manageable proportions, sense making and frame alignment. In the absence of learning capacity, strategy will be difficult to identify and execute effectively. Other studies have emphasized the need for intellectual stimulation (Bass, 1990; Waldaman, Javidan & Varella; 2004), the need to acquire knowledge (Hitt & Ireland; 2005) and the significance of high conceptual skills as a component part of strategic leadership skills strataplex (Mumford, Campion &

Morgeson; 2007). In order to be innovative, leaders must possess creative thinking skills (Mumford, Connelly & Gaddis, 2003). Absorptive capacity provides the strategic leader with the capability of making sense of the complex global environment and effective strategic choices when confronted with ambiguity and incomplete information. It is evident that absorptive capacity has a place in the strategic leadership toolkit.

Proposition 1: Absorptive capacity is a necessary component of strategic leader characteristics.

A second critical characteristic for strategic leaders is future orientation. Rowe (2001) conceptualizes the ability of strategic leaders to be futuristic by being independent of their organizations for a sense of who they are, having the audacity to cause chaos and take risks in the present time in order to sustain future viability. A future orientation is also essential in anticipating and proactively predicting future competitive conditions and challenges (Hitt & Ireland, 2005). Since strategizing is concerned with consolidating available information and using it to predict the future, effective strategic leaders are not stuck in the past or the present, but are constantly strategizing for both the short-term and long-term future. Key leadership behaviors include articulating a future orientation and an inspirational vision based on powerful imagery, values and beliefs (Waldman, Javidan & Varella; 2001). Other researchers who have highlighted future orientation as a critical component of leadership characteristics include Rowe (2001) and Hitt & Ireland (2005). Hambrick (2007) and Miller (1991) hypothesize on the significance of tenure as a predictor of future orientation. When decomposed by industry stability, CEOs with a short tenure have better sense of future orientation than their more tenure seniors who are bound to grow old in the saddle. Although many global events are unpredictable, a future orientation provides the CEO with the capability of making strategic choices on the basis of realistic predictions regarding the future. While historical information content is useful in strategizing, its utility is constantly diminishing due to constant emergence of disruptive technologies and managerial practices.

Proposition 2. Future orientation is a necessary component of strategic leader characteristics.

Conceptualizing and making strategic choices are two behavioral components of strategic leadership. The main catalyst is propensity to take action, without which strategic choices cannot be enacted in a timely fashion. Taking action should necessarily be timed to create desired impact. The capacity to take action at the right time has been variously conceptualized as Kairos time (Boal & Hooijberg, 2000) and as a deliberate capability of enacting events at their strategic inflection points (Grove, 1996). Because seismic organizational events occur around strategic inflection points (SIPs), strategic leaders need to time strategic actions around these events to achieve maximum impact. SIPs can be major global events, changes in technology or new products that that offer opportunities to refocus or minimize the effects of adverse conditions. The choice of where and when to take strategic action is as important, if not more important, than the strategy itself. Arendt, Priem & Ndofor (2005) offer demographic characteristics as a proxy for propensity to take action. Younger CEOs are more likely to act, especially in conditions that require drastic refocusing than their more tenured counterparts. In the tradition of Schumpetarian paradigm (Schumpeter, 1934), Rowe (2001) describes strategic leadership qualities as the ability to shake up the

organization and create chaos as a short-term prescription for future benefits. Vera & Crossan (2004) propose learning as a key antecedent to strategic action where strategic leaders must be both transactional to deal with mundane issues of the day and transformational in order to engender continuous learning for revival and change. Such an ambidextrous posture requires the capability of knowing when to act now or in the future as well as knowing when available information content and knowledge is insufficient for action.

Proposition 3: Propensity to take action is a critical component of strategic leader characteristics.

Risk-taking is a fundamental requirement for effective leadership at all levels. Risk-taking needs to be distinguished from uncertainty from the onset. Risk-taking involves cost-benefits of strategic choices in the context of incomplete information. The firm's reward for taking risks is earning rent. On the other hand, uncertainty involves making choices under circumstances that cannot be quantified because the probability of success or failure is indeterminate (Knight, 1982). CEOs need the capability and willingness to take calculative risks with the expectation of over-performing the market. Similarly, CEOs need to understand when situations are too fuzzy and walk away from potential strategic disasters rather than fall prey to greed and hubris. March & Shapira (1987) offer the notion that propensity to take risks is critical to managerial decision-making. Risk-taking is a suitable characteristic of innovative CEOs (Satkin, 1988). In the making of strategic choices, risk-taking is one of the instrumental variables that determine spectacular success or failure (Ganster, 2005). In the evaluation of personality characteristics, leadership behaviors and influence tactics, Howell & Higgins (1990) found that champions exhibit higher risk-taking and innovativeness. Rowe (2001) hypothesizes that visionary leadership depends on the propensity to take risks. Risk taking plays a significant role in the current global environment which is abundant with new opportunities with high risk on the downside. Risk-taking is the necessary force that drives the CEO to transition the organization from maintaining status quo (and waiting to be wiped off the global landscape) or actively engaging competitors in the murky environment of complexity, ambiguity and asymmetric information.

Proposition 4: Propensity to take risks is an essential component of strategic leader characteristics.

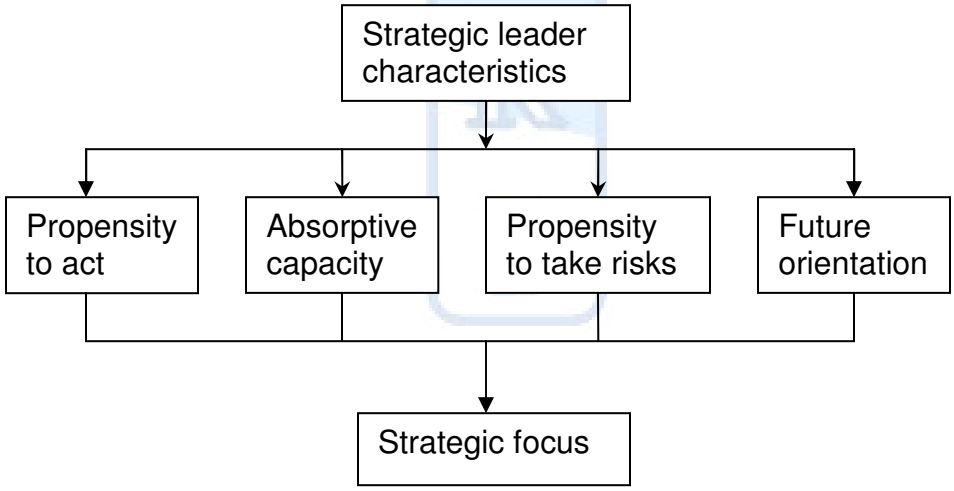
Strategic focus

In order to facilitate sustainable competitive advantage, strategic leaders need to possess a combination of essential leadership characteristics (Hitt & Ireland, 2005). Specifically, while it is recognized that organizations are a reflection of top leadership (Cannella, 2001), there has not been extensive research activity to understand the context in which strategic focus can be enhanced. Strategic focus is a critical component that couples strategic leadership with execution of strategy. Strategic focus is concerned with leading and navigating change through effective crafting and execution of strategies that will enable an organization survive in the dynamic environment, maintain track of its long-term goals, continuously refocus its strategy in alignment with internal and external environmental dynamics and ultimately reach for the jewel in the crown – sustainable competitive advantage.

In order to maintain a strategic focus, the strategist, whether it is the CEO, TMT or board members, needs to have a repertoire of specific leadership characteristics. These characteristics will enable the strategist to provide guidance and direction within a multiplex of constraints and emerging challenges. Specific deliverables include a focus on core issues rather than peripheral concerns of the organization. A major part of strategic leadership is to identify and stick to key ticket activities that have the largest short-term and long-term impact on the organization. Another critical dimension of strategic focus is provision of adaptive leadership skills and skill development strategies in alignment with organizational needs and space within its lifecycle. Although it is hypothesized that most CEOs join office with a relatively fixed paradigm that changes little thereafter (Henderson, Miller & Hambrick; 2006), contingent behavior is essential to survival in a fast-changing environment. A deep absorptive capacity provides the CEO with relevant conceptual competency to overcome this pitfall through continuous learning. The need for continuously refocusing through emergent strategies as information unfolds and complexities unravel cannot be overemphasized. Strategic focus demands the need for a balance between sticking to key strategic concerns while simultaneously maintaining a sense of urgency in executing short-term activities. Finally, strategic focus can only be enhanced when the CEO has a clear understanding of the complex competitive environment and is able to make effective choices in the face of ambiguous and often contradictory choices.

Figure 1 below highlights the relationship between strategic leader characteristics and strategic focus.

Figure 1: Strategic leader characteristics



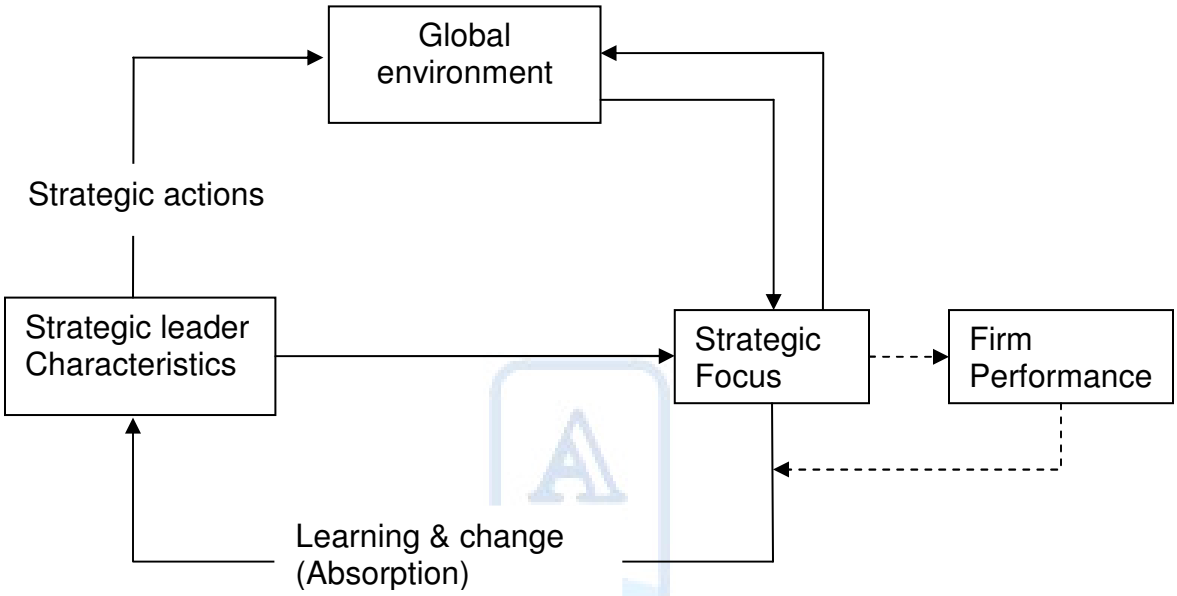
Strategic focus provides the CEO with an organizational compass to align strategies with goals as well as continuously refocus in response to global environmental variables. The four leadership characteristics, when bundled together, provide the CEO with the necessary toolkit to get a systems perspective of the whole environment, connect the dots where there is incomplete information and take decisive action at strategic inflection points with a sense of urgency. Strategic focus can be achieved in

three dimensions: effective strategizing in order to achieve desired goals, better sense making of environmental conditions and optimal strategic posture with respect to alignment.

Strategic leaders should move with haste to change their strategies if poor strategic choices result to strategic drift and destruction of value. However, like a giant vessel, there is a time lag between strategic action and organizational outcomes. Further, refocusing can only happen if there is a constant feedback mechanism with strategic leader characteristics. We propose that absorptive capacity is the vehicle by which organizational leadership can learn and adapt. An effective leader will have the necessary conceptual depth and absorptive capacity to absorb changing technologies, new markets, new consumer preferences and rapidly change direction. This learning process also enables strategic leaders to develop competencies within their organizations to deal with institutional and individual complexities that stem from the process. Strategic leader characteristics are linked to the global environment via emergent strategic actions. Strategic actions emerge from strategic characteristics of organizational leaders. Actions have different consequences on environmental variables. Effective actions should align the organization's existing resources and future intent with the emerging environment.

On the other hand, Strategic drift occurs when the strategic leader takes actions that are not harmonious with the environmental variables. This may occur as a result of miscalculating the strategic inflection point (when to take action), inept risk assessment or paralysis. Due to inherent global complexity and uncertainty, strategic leaders will often make choices under conditions of ambiguity. Consequently, strategic actions can never be perfect. Absorptive capacity provides the strategic leader with the necessary knowledge and learning competencies to make rapid adaptations to turbulent environment, disaggregate complexities and adjust strategic actions to steer the organizations towards the right course when wrong choices have been executed. Absorptive capacity is a necessary ingredient throughout the strategizing process and provides the glue that binds the framework together. The ultimate measure of strategic focus is firm performance. Whether it is qualitative or quantitative metrics, performance validate effectiveness of past strategic actions. However, strategic leaders cannot wholly rely on firm performance. There is a need to constantly project a future outlook and make adaptation to current strategies before it is too late to refocus. Thus, absorptive capacity provides deep cognitive structures to project the future and make strategic adjustments even in the face of incomplete information and ambiguity. The following conceptual framework (figure 2) shows the relationships between strategic leader characteristics, situation/environment and strategic focus. The key assumption is that strategic leadership characteristics have synergistic effects when combined together.

Figure 2: Strategic leader process



Discussion

This paper makes a critical first step of developing a framework for evaluating strategic leader characteristics in the context of emerging issues of globalization. Previous studies have shown specific differences between leadership and strategic leader characteristics (Hambrick, 2007). We have steered the direction from conventional theories in an attempt to fill the void that has not been articulated through traditional theories of leadership. Strategic leadership differs from leadership as defined in organizational behavior, psychology and other social sciences in four perspectives. Strategic leadership is concerned with influencing and providing direction at upper echelons of the organization. It is quite clear that at upper levels there is increased complexity. This demands higher capabilities in absorptive/cognitive skills. In organizational behavior, leadership exists at multiple levels of the organization and the amount of absorptive capacity is contingent upon these levels among other factors (Mumford et al, 2007). The term leadership primarily refers to a relational endeavor, implying that there are followers (Cannella, 2001). Although there may be followers in a strategic leadership context, the strategic leader's power is not derived from the followers' legitimization but prescribed rules of behavior in a competitive landscape. The strategic leader cannot engender an infinite number of behaviors and must navigate within bounded parameters. The last but most significant difference is that strategic leaders are appointed by the board to fulfill a narrow set of objectives aimed at broadly satisfying shareholders' expectations.

The fundamental emerging objectives for a strategic leader is to enable the organization survive in the global business environment. The second objective is achieving a fair return on shareholders' investments. Both survival and sustained competitive advantage call for a strategic focus. The third objective is to grow the

business. Strategic focus offers the leader with the opportunity to embed secondary goals such as ethics and social responsibility within local contexts, values and norms of the firm, in the process liberating him to focus on strategy. The four leadership characteristics, when leveraged simultaneously, provide the strategic leader with the tools of achieving a strategic focus.

Previous studies have theorized that industry type moderates CEO characteristics. Stable industries such as food processing attract CEOs with a different disposition compared to CEOs in information technology (Henderson, Miller & Hambrick, 2006). However, recent global developments such as contamination of food products in the global supply chain system serve to reinforce the interconnectedness of the global economy and the need for CEOs to possess a complete set of essential characteristics, regardless of the industry.

The global economy has had the greatest impact on industries with cutting-edge technologies such IT and biotechnology. Conventional business and economic theories are no longer sufficient to deal with new organizational forms, a dynamic workforce and the ever-changing external environment. Strategizing for the long-term is often confounded by unforeseen or unintended global events. In the media industry, this is clearly manifested in the recent polycentric innovations in the delivery of media content and competing technologies of blue-ray and HD-DVD which do not provide slack time between innovation phase and ready-for-market. In such times of profound change and complexity, the CEO with a toolkit of capabilities can facilitate transitional space to provide organizational learning and shift from a state of uncertainty to calculated risk or from ambiguity to informed judgment. In such situations, accurate evaluation of real-time information and rapid action can make a difference between survival and demise.

The development of necessary strategic leadership characteristics in the unfolding global environment is a first step towards expanding strategic leadership research. Based on recent research, strategic leadership requires a special set of skills in order to be effectively executed. We have demonstrated the contribution of each of the characteristics in facilitating a strategic focus. We have moved a step further to propose a dynamic strategic learning framework, based on these characteristics. Absorptive capacity, through strategic learning, creation and transformation of knowledge, provides a critical link between maintaining status quo and learning and renewal by the strategic leader. This explains, in part, the difference between strategic leaders who lead their organizations adrift due to fixed paradigms (Henderson, et al; 2006) and those who embrace strategic learning to constantly renew their repertoire of leader characteristics and adapt in the changing environment.

We have also offer a foundation for examining strategic leader attributes that will predict performance. Previous studies have largely focused on CEO demographics as a proxy for leadership variables. By examining actual characteristics, we are in a better position to fully embrace relevant characteristics and more accurately predict organizational outcomes. Hopefully, access to CEOs and availability of accurate psychological measures will lead to more accurate analysis of CEO characteristics.

While the framework developed in this study brings to focus critical issues in strategic leadership research, it also exposes a variety of avenues that have not been covered in research. Interactive effects of the leadership characteristics are not known. It is critical to understand contributory effect of each of the strategic leadership variables

and how they are interrelated. Despite these shortcomings, this approach overcomes the perennial weakness of using proxy measures to understand leadership characteristics.

Although there has been considerable research on top management teams, there are many avenues for fruitful research. There is a need for a better understanding of where actual power is nested within TMTs. It is not fully understood which characteristics play a more significant role. Due to limited access to TMTs, it is not always clear which decision-processes are most effective. Finally, the turbulent nature of the environment calls for more longitudinal designs that evaluate actual strategic behaviors rather than proxy measures for these characteristics.

Conclusion

Globalization and constant changes in the organizational environment call for new was of providing effective strategic leadership in organizations. This study makes a contribution by providing a conceptual framework that integrates strategic leader characteristics with strategic focus within such a context. Strategic leadership demands more specialized and focused leadership that has been hypothesized in the past. Strategic leadership studies that have borrowed leadership characteristics from other disciplines have not addressed the fit between such characteristics and emergent global demands. Essential strategic leader characteristics necessary in dealing with global challenges are; future orientation, propensity to take action, propensity to take risks, and absorptive capacity. Absorptive capacity enables the strategic leader to renew prior characteristics that have been rendered insufficient in the emerging global economy. Absorptive capacity facilitates rapid learning and adaptation to emerging externalities. Combinatory effects of strategic leadership characteristics provide the CEO with the necessary capabilities for constant alignment with changing conditions and effective strategic focus.

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