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Strategic Leadership and Competitive Advantage in Lusaka's Selected Firms

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Abstract

Purpose: In an increasingly competitive and changing world economy, organizational capacity to achieve and maintain competitive advantage is inextricably linked with the caliber of strategic leadership. This study examined the application of strategic leadership in realizing and maintaining a competitive advantage in the business environment of Zambia, based on two Lusaka-headquartered companies as case studies. The primary objective was to analyze leadership practices in selected firms and determine their role towards performance, innovation, and differentiation against a negative economic backdrop.

Methodology: The study employed a qualitative multiple-case study design to offer rich explications of practical leadership practices. Two private firms were purposively selected: Firm A, manufacturing, and Firm B, services. The firms were chosen based on their market presence and strategic interest. Data were collected through intensive semi-structured interviews with 12 participants- six from each firm-including senior leaders and mid-level managers who were directly involved in strategic planning and implementation. Secondary data obtained from internal business documents, strategic plans, and performance appraisals were also utilized for finding triangulation and contextual enrichment. Data was analysed thematically.

Findings: Thematic analysis of the findings revealed that there is a need for strategic leadership to achieve differentiation through vision-connected alignment, responsive planning, and continuous organizational learning. It was also noted that there were weak systems for leadership growth, regulatory uncertainty, and market volatility. These factors impede the optimal utilization of leadership potential and strategic outcomes. The study ends by making a suggestion to develop leadership capacity, implementation of flexible strategy models, and enhanced linkage between leadership vision and operational activities. These actions are required by companies eager to navigate their path through the intricate business environment of Zambia and sustaining long-term competitive advantage.

Keywords: *Strategic Leadership, Competitive Advantage, Firm Performance, Lusaka, Zambian*

JEL Classification: *M10, L25, M12, O55*

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INTRODUCTION

As the world becomes more globalized and competitive, businesses are forced to find ways to build and sustain competitive advantage. Strategic leadership plays a critical role in organizational vision, decision-making, and where the business places itself within the market. There are many businesses in Zambia that face economic uncertainty, policy fluctuations, and speedy-changing customers, all demanding strategic intuition and agility from the leaders. Strategic leadership is essential to deal with the complexities of today's business world. Strategic leadership involves having a clear vision, good decision-making, and an organizational culture that supports innovation and adaptability (Boal & Hooijberg, 2001). In Zambia, businesses are confronted with an uncertain context that is typified by economic uncertainty, policy volatility, and heterogeneity in the consumer market. These conditions call for strategic and responsive leadership to both external and internal crises.

Strategic leadership has been noted to be instrumental in the creation of competitive advantage. Research has confirmed that effective leadership has the capability to enhance organizational performance through alignment of resources with strategic intent and a culture of continuous improvement (Hitt et al., 2007). In Zambia, Zambeef and Zambian Breweries have unveiled the extent to which strategic leadership can promote growth and market positioning. Zambeef's diversification into various sectors and Zambian Breweries' alignment with market requirements are evidence of how strategic leadership can drive competitive edge in challenging environments. The path to achieving competitive advantage through strategic leadership is not, however, an easy ride. Zambian firms often fight against challenges such as economic uncertainty, policy ambiguity, and rapidly evolving customers. These challenges require the deployment of adaptable, visionary leadership that can manage complex business situations. In addition, the effectiveness of strategic leadership depends on organizational culture, employee participation, and the ability to adapt to changing market situations (Avolio & Bass, 2004). It is from this understanding that this study seeks to explore how strategic leadership generates competitive advantage in the Zambian context, focusing on two case study firms located in Lusaka. It examines the leadership styles utilized, how this affects strategic positioning, and what are the challenges in applying leadership to achieve sustainable growth.

This study aims to contribute to strategic leadership in Zambia through an investigation of the effects of leadership approaches on competitive advantage within two Lusaka-based companies. The study will analyze the strategies, the challenges, and outcomes of the leadership practices within these companies using case studies. The findings are expected to give insight into the effects of strategic leadership in fostering sustainable development and competitive advantage within the Zambian business environment.

Background of the Problem and Context

As seen in Zambia, the majority of firms have not been able to sustain their performance due to inadequate strategic resources, poor leadership, and operational inefficiency. These limitations downsize the organizational ability to respond to the dynamics of the business environment; thus, inability to achieve sustainable growth (Mumba, 2021). Strategic leadership is key to countering such factors through the formulation of a vision, information-guided decision-making, and the organizational culture that would infuse innovation as well as responsiveness (Kaluba & Chirwa, 2022). The impact of strategic leadership on competitive advantage in Zambia remains unexplored. It has been proven through research that strategic leadership practices are very important in influencing the performance of the local governments in Zambia, and there is a very high correlation between organizational performance and leadership skills (RSIS International, 2021).

Two firms in Lusaka where picked strategically due to their opposite status in terms of size and strategic industrial type. Also, their liquidity parameter where of interesting to see. Further regional strength and ownership capacity was also of good intention. Existing studies show Zambia faces challenges in socio-economic development, human development, and governance, marked by high poverty, economic instability, and weak institutions, as seen in the impact of commercial farming and civil society organization (CSO) struggles. What hasn't been done includes more detailed, sector-specific research on the impacts of recent policies, deeper analysis of how different ethnic groups are affected, and more comprehensive studies on the potential and effectiveness of various climate change adaptation strategies beyond a general level.

What studies have found

- **Socio-economic and human development:** Studies indicate a low level of socio-economic development, with high poverty rates, particularly among children. While Zambia shows some strength in business competitiveness, it ranks poorly in overall human development indicators compared to other Southern African countries.
- **Governance and institutions:** Research points to challenges in governance, with weak institutions and issues in the public sector's strategic planning and implementation processes. Studies also highlight specific governance failures, such as the inadequate protection of rural residents' land and rights during large-scale commercial farm acquisitions, with women disproportionately affected.
- **Civil Society Organizations (CSOs):** Research shows that CSOs struggle with poor funding, a lack of financial resources, and negative perceptions from the government, which hinders their ability to promote good governance effectively. Over-reliance on foreign donor funding has also weakened them.
- **Public Health:** Studies have found high HIV prevalence among specific groups, such as people who inject drugs in urban areas, coupled with low awareness and poor treatment progress.

What hasn't been done?

- **Impact of recent policies:** While general economic challenges are noted, there is a lack of detailed research on the specific impacts of the government's recent economic diversification and development policies on different sectors and regions.
- **Inter-ethnic impact analysis:** Studies have focused on land displacement and governance, but there is a need for more research to understand how various ethnic and social groups are disproportionately impacted by development and environmental changes.

- **Climate change adaptation strategies:** Research has acknowledged the impact of climate change but has not gone into depth on the effectiveness and implementation of specific, locally relevant climate change adaptation strategies across different sectors like agriculture, water, and energy, says the World Bank Group.
- **Effectiveness of governance reforms:** Studies have identified governance and institutional weaknesses, but more detailed research is needed on the effectiveness of the government's attempts at reform and the actual impact of these changes on the ground.
- **Comparative governance analysis:** While studies have examined CSOs and governance, more in-depth comparative analyses are needed to understand how different CSOs function and the effectiveness of their approaches compared to other countries.

Even though leadership has been universally embraced as a success factor, empirical research in Zambia has been minimal such that no study has focused on the contribution of strategic leadership to competitive advantage. Most research focuses on the leadership style and its influence on employee performance, with strategic leadership practice and their influence on organizational outcomes receiving less focus. For instance, research carried out on ZESCO Limited supported that transformational and servant leadership styles positively influence employee performance and negative influence originates from laissez-faire leadership style. However, the research did not look at the common practices of strategic leadership and their effect on organizational performance (Phiri & Banda, 2021, cited in ResearchGate, 2023).

Strategic leadership is extensively studied in developed economies, and it is typically related to transformational practice, innovation, and long-term performance. As an example, studies have proven successful strategic leadership can contribute to organizational performance through setting resources to objective strategic purposes and basing a culture of ongoing learning (Johnson, 2020; Okafor & Mwansa, 2021). With markets in Zambia being small, competition in Zambia will necessarily be price-based, while policy environments are characterized by volatility, the dynamics may be very different there. Such differences in context necessitate more understanding of strategic leadership in Zambia's context. It is therefore crucial to understand whether and how Zambian businesses can develop strategic leadership competence to survive, thrive, and establish sustainable competitive positions. This study seeks to bridge this gap by investigating the role of strategic leadership in achieving competitive advantage in Zambia. Through exploring leadership styles embraced by organizations in Lusaka and their influence on strategic positioning, this study attempts to add some light to strategic leadership as a decision as well as a challenge within the Zambian environment.

Moses N. Kiggundu, (2013), adds that quantitative data highlights the critical nature of strategic leadership, as business failure rates are substantial across different timeframes and sectors, while strategy implementation itself often fails to meet intended outcomes.

Business Failure Statistics

General business failure rates underscore the inherent challenges of entrepreneurship and the high stakes involved in strategic decision-making:

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- Approximately **20%** of businesses fail within their first year in the US.
- Around **50%** of businesses fail within five years.
- Up to **65%** do not last beyond ten years.
- **90%** of startups specifically (often tech-related) fail.

Sector Studies

Research frequently examines sector-specific challenges, with some industries exhibiting higher volatility.

- Industries such as **restaurants, retail, and technology startups** have notably high early failure rates.
- Specific studies have been conducted on sectors like the **textile industry** in Pakistan and the **oil and gas industry** in Libya to understand how leadership affects performance within those contexts.
- A major finding in strategic leadership literature is the predominance of **firm-level effects** over industry or country effects on performance in most cases, implying that internal strategic choices and leadership are crucial determinants of survival.

Economic Indicators and Strategic Leadership Documents

Economic indicators like GDP, inflation, unemployment rates, and consumer demand are vital external factors influencing business success. Research in strategic leadership documents connects how firms navigate these conditions:

- In times of economic crisis, SMEs (Small and Medium Enterprises) are particularly vulnerable; a study using UK data found that **4 in 10** experienced a fall in employment during a recession, and **5 in 10** a fall in sales.
- Poor financial management is a primary reason for failure, with some reports stating that **82%** of small businesses fail due to cash flow problems.

The Gravity of Strategy Implementation Failure

Perhaps one of the most compelling statistics in strategic leadership is the "strategy-execution gap":

- Up to **78%** of strategic initiatives fail to achieve their intended outcomes, according to research cited in Harvard Business Review, McKinsey, and Gartner studies.
- The top reason cited for startup failure is "no market need" (**42%** of cases), highlighting a significant strategic misstep in market research and planning.

These quantitative data points underscore the immense challenges and the critical importance of effective strategic leadership in ensuring organizational survival and success.

Purpose and Objectives of the Study

This study purposed to examine how strategic leadership influences achievement and sustenance of competitive advantage in selected Zambian firms. The study focuses on assessing the leadership practices of Lusaka-based firms and their impacts on organizational performance. The study also assessed the extent to which leadership drives innovation, effectiveness, and differentiation amidst a challenging economic environment. Finally, the study proposes methods for enhancing leadership effectiveness and improving long-term competitiveness within Zambia's dynamic business landscape

The challenges of lack of leadership training programmes, brain drain, and weak capital markets exist due to a complex interplay of systemic issues, historical legacies, and institutional weaknesses prevalent in many developing countries. These problems are often interconnected, creating a vicious cycle of underdevelopment.

Interconnected Root Causes

- Institutional Weaknesses and Poor Governance: This is a core underlying issue. Weak institutions, corruption, political instability, and a lack of meritocracy create an unpredictable and unfavorable environment.
    - Impact on Leadership Training: Without strong institutions that value merit, there is little incentive to invest in formal, quality leadership development programmes. Positions may be filled through patronage rather than skill, leading to a de-emphasis on professional training.
    - Impact on Brain Drain: Poor governance and political instability are major "push factors" for skilled professionals who seek better quality of life, security, and professional respect abroad.
    - Impact on Capital Markets: Weak institutions lead to poor regulation, a lack of transparency, and inadequate enforcement of contracts, all of which deter investment and prevent capital markets from deepening and becoming efficient.
- Economic Instability and Limited Opportunities: Low economic growth, high inflation, and lack of suitable labor markets are significant drivers of these challenges.
    - Impact on Brain Drain: Low salaries, underutilization of skills, and limited professional growth opportunities push the best and brightest to seek "greener pastures" in developed nations.
    - Impact on Leadership Training: Economic constraints often mean limited budgets for education and training, and the focus remains on immediate survival rather than long-term human capital development.
    - Impact on Capital Markets: Economic instability and the resulting high levels of household precautionary savings mean less domestic capital is available for investment in local markets. Furthermore, local markets may be too shallow to provide necessary long-term financing for businesses.

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- Human Capital Development Shortcomings: A lack of investment in quality education and research facilities creates a skills mismatch and a workforce unprepared for the demands of a modern economy.
    - Impact on Leadership Training: The lack of a strong educational foundation makes the implementation of effective leadership training programmes more difficult.
    - Impact on Brain Drain: The low quality of research facilities and educational institutions encourages academics and researchers to emigrate to countries with better resources.
    - Impact on Capital Markets: A lack of financial sophistication and technical expertise among market participants and regulators hinders the development of a well-functioning, innovative financial sector.
- Historical Legacies and External Dependency: Colonial legacies often resulted in economies structured for extraction of primary commodities, weak initial institutional capacity, and ongoing dependency on external financing. This has perpetuated a cycle of vulnerability to external shocks and limited policy autonomy, making it difficult to address these internal challenges effectively.

In essence, these challenges are not isolated problems but symptoms of deeper, systemic structural issues that require coordinated, holistic policy interventions addressing governance, economic conditions, and human capital investment simultaneously.

LITERATURE REVIEW

Worldwide Strategic Leadership and Competitive Advantage

Globally, strategic leadership is now a source of competitive advantage in emerging as well as developed economies. Strategic leadership refers to the ability of a leader to anticipate, envision, remain adaptive, think strategically, and empower others to formulate strategic change (Ireland & Hitt, 2005). Such leaders greatly influence the potential of a firm to create and sustain competitive advantage in increasingly volatile and advanced markets.

In developed economies, strategic leadership is closely associated with long-term value creation, innovation, and agility. For instance, Apple's competitive success under Steve Jobs is typically attributed to visionary leadership that integrated innovation, customer-centric design, and devotion to the brand (Isaacson, 2011). Similarly, Amazon's Jeff Bezos employed strategic foresight and risk-taking in dominating global retail and cloud computing markets, demonstrating the straightforward link between strategic leadership and market disruption (Shepherd & Rudd, 2014). These instances point out how strategic leaders in advanced economies are drivers of change and competitive positioning.

Empirical studies also endorsed the connection of strategic leadership and firm performance. Boal and Hooijberg (2001) are of the opinion that strategic leadership enhances an organization's ability to adapt and compete by coupling cognitive complexity with social intelligence. Additionally, Rowe (2001) argues that strategic leaders exchange visionary thinking and managerial discipline, ensuring operational effectiveness and fostering innovation- two pillars of sustainable competitive advantage.

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In emerging economies, strategic leadership is likely to counterbalance institutional voids such as weak governance, substandard infrastructure, and regulatory uncertainty (Khanna & Palepu, 2010). In India, South Africa, and Brazil, for instance, successful businesses are often successful due to leaders who are ingenious, locally attuned, and strategically flexible. Tata Group's international expansion and durability, for instance, are due to strategic leadership that has blended classic values with global business acumen (Lorange, 2006). Similarly, South African companies like MTN and SABMiller have applied strategic leadership to expand into African markets, often adapting to local conditions and regulatory changes (Meyer & Peng, 2005). Moreover, in global markets, strategic leadership is increasingly linked to sustainability and ethical governance. The development of ESG (Environmental, Social, and Governance) principles and stakeholder capitalism demands leaders who integrate sustainability into core strategies to ensure legitimacy and market trust (Porter & Kramer, 2011). Strategic leaders who integrate ethical and responsible practices into business operations are more likely to gain long-term competitive advantage and stakeholder loyalty. Literature that examines both the successes and failures of strategic leadership in developed settings, you can draw on a combination of academic reviews, theoretical books, and case study analyses. These sources often highlight that failures often stem from a lack of adaptability, poor implementation, and an inability to diagnose challenges correctly.

Key Literature and Authors

"The Failure of Risk Management: Why It's Broken and How to Fix It" by Douglas W. Hubbard.

Focus: This book provides a detailed analysis of why common risk management techniques and quantitative models fail in business and government settings (often in developed economies like the US). It provides real-world examples and case studies of significant failures and offers alternative, effective quantitative methods.

Relevance: Directly addresses "what can go wrong" by dissecting the flawed methodologies and decision-making processes that lead to failure.

"Reinventing Management: Smarter Choices for Getting Work Done" by Julian Birkinshaw.

Focus: The book argues that many modern economic problems and high-profile corporate disasters (e.g., News Corp, BP, financial services firms) can be traced to fundamental failures in management and leadership approaches in the West. It examines different "management models" and their pitfalls.

Relevance: Offers examples of management failures in developed settings and argues for a more deliberate, context-aware approach to leadership and decision-making.

- **Academic Articles and Research Papers on Implementation Failures:**

Literature on strategy implementation often discusses high failure rates. For instance, some research suggests that a significant percentage of strategic plans fail to be realized.

  - **Key Failure Factors Cited:**

Lack of teamwork and ownership: Leaders failing to gain internal commitment to the strategy.

Poor communication and inadequate planning: Unclear strategies and insufficient prior planning are common reasons for failure.

Inability to adapt to the external environment: The external environment can moderate or limit the influence of strategic leadership on performance. Leaders who fail to anticipate and adapt to turbulent conditions, such as digital transformation or economic crises, often see their strategies fail. Ron Heifetz's work emphasizes that failures often occur when leaders fail to diagnose "adaptive challenges" correctly, treating them instead as simple "technical problems" that can be solved with established procedures.

- **Case Studies in Academic Journals:**

Articles in journals like the *Harvard Business Review* or *MIT Sloan Management Review* often feature case studies comparing successful and failed implementations of similar initiatives (e.g., digital transformations) in comparable developed-world companies. These highlight how subtle differences in execution, decision-making, and people management can lead to vastly different outcomes.

By incorporating these types of sources, your literature review can effectively balance the principles of successful strategic leadership with concrete examples and analyses of why those principles sometimes fall short in developed economies.

Strategic Leadership and Organizational Performance

Economic growth in the Western world increasingly depends on meaningful engagement with emerging markets, such as Brazil, China, India, South Africa, and Turkey. Business schools are responding in their research and curriculums with increased attention to these markets. However, to understand and leverage these opportunities for teaching and learning, it is apparent that students and executives require a major transformation of their mental models, not simply incremental adjustments or extensions. Institutional economics can help prospective and established managers recognize the role of formal and informal institutions and enable them to work around the "institutional voids" in emerging markets (Khanna & Palepu, 2010). We draw on this framework to identify critical shifts in mental models required for managing effectively in emerging markets and suggest core elements of the management learning process required to accomplish such a change on leadership strategy and specifically scrutinizing the reasons why most organizations fail to successfully implement their strategic plans. To guarantee a successful organizational outcome, it is important to trace the paths others have walked, those who have succeeded as well as those that have not. And more important during this era and age of technology, could there be something new a leader needs to consider? Several literatures are on strategic leadership, but only very few looks at a strategy execution— leadership strategy. Leadership definition has been evolving, the need to a new approach to strategy implementation is therefore inevitable. A leader must therefore keenly take into consideration the different working environment that follows the dictates of modernism. Services like procurement, recruitment, performance evaluation are technologically driven in this age and era. Following these realities, a review of existing materials points to a new way of leadership strategy, one that seems to incline so much towards modern technology. It is evident that modern technology largely has a huge space in determining organizational outcomes. Leadership strategies are it for a new business or an existing one, for a large organization or small must therefore take into consideration these realities. This literature review has picked on critical aspects of what a leader does to plan and successfully execute the plan. While it could be considered as a new norm, the fact though is that using technology is age long only that the modern types are new inventions that have taken the centerstage. The COVID-19 pandemic has also not only brought about so much pain but has completely changed the way things are done. In a world where "lock-down", working from home and social distances seem to be the order of the day, a leader must therefore have new innovative ideas. As William Pollard once said, "Learning and innovation go hand in hand. The arrogance of success is to think that what you did yesterday will be sufficient for tomorrow." (Sinquefield, 2013).

Strategic leadership plays a fundamental role in organizational performance based on its capacity to impact direction, culture, and capability to adapt. According to Ireland and Hitt (2005), strategic leaders set firm direction, organization design, and culture, all of which are requisites for long-term performance. And of course it must be stated that certain leadership traits are transferable to the Zambian leaders and the reading audience from Amazon visionary and adaptive leadership perspective underscored the necessity of both visionary and adaptive leadership for the purpose beyond the administrative function of leading organizations to long-term performance. Empirical evidence corroborates this view, with high positive correlation between strategic leadership and organizational performance. For instance, a study of Kenyan universities found that there was a Pearson correlation coefficient of r=0.764**, indicating a strong association between strategic leadership and performance results (Journal of Strategic Management, 2018).

Furthermore, research in Nigerian higher education institutions realized that strategic planning coupled with transformational leadership accounts for important levels of organizational performance variance, with an R-squared value of 0.657 (MDPI, 2023). Effectiveness of strategic leadership is further enhanced by its ability to counter change in the environment. External adversity and ability to cope with it, along with abilities to redirect organizational strategies accordingly, contribute significantly to enhanced performance (Jaleha & Machuki, 2018). This adaptability is particularly critical in volatile markets, where the capacity to adjust to change constitutes competitive excellence. In addition, strategic leadership promotes a culture of high performance within an organization, aligning organizational goals with actions of staff. A Harvard Business School research revealed that those organizations that possessed a well-established culture of performance delivered superior financial performance, emphasizing the leadership in initiating a culture of high performance (Wikipedia, 2023).

Competitive Advantage in Developing Economies

Competitive advantage in emerging economies, such as those in sub-Saharan Africa, is faced with unique challenges and possibilities. Unlike firms in advanced economies, those in low-income countries are more likely to operate in environments where there are institutional voids, infrastructural gaps, regulatory uncertainty, and limited access to capital and talent (Khanna & Palepu, 2010). These constraints necessitate alternative means of creating competitive advantage, where agility in leadership, innovation, and adaptive capability become primary differentiators. Barney (1991) suggests that firms achieve competitive advantage through possessing resources that are valuable, rare, inimitable, and non-substitutable (VRIN). In the context of resource-constrained settings, these resources are not always financial or technological but increasingly a byproduct of strategic capabilities, including leadership skills, local expertise, and organizational culture. Firms that utilize these internal competencies effectively, particularly via strategic leadership, perform better than others in the same environments (Newbert, 2007).

Competitive edge within such environments is usually linked to agility- the capability to respond quickly to external shocks and market changes. Empirical work in the African context shows that firms with adaptive forms of leadership are likely to rethink their strategies and operations in order to deal with environmental volatility (Mbalyohere et al., 2017). For example, in Zambia and the neighboring countries, companies that developed localized strategies-in line with socio-economic realities and cultural dynamics-were more likely to stay relevant in the markets (Eisenhardt & Martin, 2000). Innovation is also crucial. Rather than high-end R&D, innovation in emerging economies is more likely to happen through frugal innovation or process adaptation, driven by necessity not abundance (Prahalad, 2005). These visionary leaders who nurture a culture of innovation-despite resource scarcity-enable their firms to innovate in novel ways, thus achieving competitive edge. A study by Simanis and Hart (2008) highlighted that firms innovating under constraints, particularly at the bottom of the pyramid, tend to unlock latent market potential and build lasting competitive positions. Furthermore, the ability to build trust-based relationships with stakeholders, like government authorities, local communities, and suppliers, can be a source of strategic advantage. Executives who are able to deal with such complex relationships enable their firms to secure operating licenses, community goodwill, and informal institutional support, which are essential in low-regulation environments (Meyer & Peng, 2005).

Strategic Leadership Theory complements the Resource-Based Theory (RBT) by providing the **human and organizational mechanism** through which a firm identifies, develops, deploys, and protects the valuable, rare, inimitable, and non-substitutable (VRIN) resources that RBT identifies as the source of sustained competitive advantage.

How Strategic Leadership Complements RBT

Resource Identification and Valuation: RBT emphasizes the importance of unique internal resources. Strategic leaders, through their "managerial manifold wisdom" and understanding of both the internal and external environments, are responsible for identifying which resources are truly valuable and have the potential to create a competitive advantage.

Resource Building and Development: RBT notes that firms can build new capabilities through learning and skill acquisition over time. Strategic leadership is the driving force behind fostering a culture of continuous learning, innovation, and experimentation necessary to develop and nurture these key resources and competencies.

Strategic Decision-Making and Allocation: Strategic leaders make high-level decisions with long-term implications, including how to allocate resources effectively to exploit opportunities. They ensure that resources are aligned with strategic objectives, maximizing their potential to generate superior performance.

Creating and Reconfiguring Capabilities: In dynamic markets, the ability to adapt is crucial. Strategic leaders provide the vision and flexibility to continually recombine or reconfigure existing resources to meet changing market demands, effectively making RBT applicable even in volatile environments.

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Organization and Exploitation: The "O" (Organization) in the VRIO framework (an extension of VRIN) highlights the need for the firm's structure and processes to support the exploitation of valuable resources. Strategic leaders are the architects who design the organizational systems and structure to enable or prevent the realization of benefits from these resources.

Vision and Culture: Strategic leaders articulate a clear vision that inspires and motivates the entire organization. This vision helps align employees' efforts and fosters a sense of shared purpose, which in turn helps in building an inimitable organizational culture—itself a critical intangible resource in RBT.

In essence, RBT provides the "what" (the critical resources needed for advantage), while Strategic Leadership Theory provides the "how" and "who" (the executive actions and capabilities required to manage and leverage those resources effectively).

In Sub-Saharan Africa, **strategic leadership in the face of resource constraints** often involves leveraging operational experience in challenging environments and developing innovative business models tailored to local conditions. Companies gain competitive advantage not by having abundant resources, but by developing unique capabilities and resilience to navigate institutional voids and infrastructural deficits.

Case Study 1: M-Pesa (Kenya) - Innovation through Infrastructural Constraints

M-Pesa, launched by Safaricom in Kenya, is a classic example of achieving sustainable competitive advantage by addressing resource constraints (specifically, the lack of traditional banking infrastructure).

The Constraint: Much of Kenya's population was unbanked and traditional banking infrastructure (physical branches, ATMs) was sparse, especially in rural areas.

Strategic Leadership: Safaricom's leadership saw an opportunity in the high penetration of mobile phones. Instead of trying to build a traditional banking network, they focused on developing a system that utilized the existing mobile network.

- **Competitive Advantage:** M-Pesa created a dominant position by leveraging a simple, accessible technology for money transfers and payments through a vast network of local agents. The lack of existing fixed-line infrastructure actually accelerated adoption of this mobile solution. The "experience of operating in difficult and risky home markets" gave M-Pesa an advantage that external firms lacked, making its capabilities difficult to imitate.

Case Study 2: Jumia (Sub-Saharan Africa) - Local Adaptation in E-commerce

Jumia, often called "the Amazon of Africa," has had to develop unique business processes to operate in a market characterized by significant supply-side and logistical constraints.

The Constraint: E-commerce in Africa faces challenges like underdeveloped logistics infrastructure (road, rail, postal service), unreliable power supply, and low consumer digital literacy.

Strategic Leadership: Jumia's leadership adapted their business model to these local contexts. They developed in-house logistics capabilities ("Jumia Express") and adopted a cash-on-delivery model (later incorporating mobile money) to bypass traditional infrastructural hurdles and build consumer trust.

Competitive Advantage: Their ability to co-create value by linking African providers and clients through locally tailored operations, rather than simply replicating Western e-commerce models, provides a unique competitive edge. This local adaptation and operational resilience allows them to navigate complexities that larger, less flexible international competitors struggle with.

Case Study 3: Zambian Breweries (Zambia) - Local Sourcing and Supply Chain Efficiency

Zambian Breweries (part of AB InBev) has demonstrated strategic leadership in using resource constraints related to foreign exchange and agricultural supply chains to its advantage.

The Constraint: High costs of importing raw materials (like barley), currency fluctuations, and limited access to foreign exchange are common challenges.

Strategic Leadership: The company invested heavily in backward integration, promoting and sourcing local raw materials like sorghum and cassava from Zambian smallholder farmers. This required significant investment in agricultural extension services and processing technology.

Competitive Advantage: By creating a robust local supply chain, Zambian Breweries reduced its reliance on imports, mitigating foreign exchange risks and ensuring a more stable supply of raw materials. This operational efficiency provides a cost advantage (cost leadership strategy) and also builds strong local stakeholder relationships, which are hard for competitors to replicate.

In all these examples, strategic leaders did not merely manage constraints; they used them as an impetus for **innovation and developing unique, non-transferable capabilities** that are valuable, rare, and difficult to imitate, forming the basis of a sustainable competitive advantage.

Leadership Challenges in Africa

African leadership operates in a sophisticated yet at times constrained environment that poses monumental threats to the execution of strategy and enduring competitiveness. Bolden and Kirk (2009) point out that although ambition is not short of leadership on the continent, systemic barriers have a tendency to stifle the realization of leadership potential. Central to these are poor systems of leadership development, deeply entrenched hierarchical organizational cultures, and volatile external environments that undermine consistent implementation of strategic plans. Amongst the most severe problems is the lack of systematic leadership training and development. In the majority of African countries, including Zambia, leadership positions are typically gained on the basis of tenure, relationships, or politics within a party and not merit or professional growth (Kamoche, 2011). This results in leaders with potentially insufficient abilities to deal with strategic complexity, change, or innovation-talents needed to deliver competitive advantage in the modern dynamic business environments.

In addition, autocratic and hierarchical styles of leadership remain widespread in Africa's public and corporate sectors. The tendencies of such leadership are to suppress creativity, cause close communication channels, and inhibit collective decision-making (Hope, 2013). Ncube (2010) confirms that the prevalence of top-down management hierarchies limits the contribution of lower-level staff to strategic planning, causing organizational unresponsiveness and inability to swiftly react to market conditions. Uncertainties in externality further complicate the leadership. Political

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instability, economic uncertainty, and perpetual policy U-turns are the norm on the continent and present unprecedented challenges to business leaders (Jackson, 2004). For instance, volatile exchange rates, volatile regulatory environments, and shortages in infrastructure in a country like Zambia can spoil meticulously planned strategies even with good leadership. African managers have to work in "environments of scarcity," says Kiggundu (1991), which requires unusually high levels of resilience, flexibility, and inventiveness. Cultural diversity and discontinuous national identities are also engaged. African leaders are required to balance an opposing ethnic, linguistic, and regional interest, hence complicating the leadership issue (House et al., 2004). Such cultural diversity calls for not just strategic skills but very high emotional intelligence and contextual sensitivity in leaders to effectively handle their organizations.

Theoretical Framework

This study was guided by the Strategic Leadership Theory, which provides an appropriate insight for understanding how the leaders of Zambian firms build and sustain competitive advantage. The theory maintains that the choices, behaviors, and ability of senior managers to control complex environments significantly influence organizational performance (Boal & Hooijberg, 2001). Strategic leadership involves developing and executing a vision, the effective allocation of resources, and building an adaptive organizational culture that ensures long-term success (Ireland & Hitt, 2005). Within the Zambian context, where businesses are confronted with uncertain policy and economic realities, how well leaders can anticipate change and guide their organizations is critical. Strategic leaders must scan the environment, set strategic direction, align internal strengths with external opportunities, and lead change (Finkelstein et al., 2009). These skills are needed in markets where price wars are prevalent and where firms must employ leadership rather than scale or technology to compete. Strategic Leadership Theory also puts a heavy focus on balance between short-term efficiency and long-term innovation. Leaders must deliver everyday operational effectiveness while at the same time investing in innovation, human capital building, and strategic recoupling. Within Zambian firms, such shared burden is particularly important in light of the everyday lack of resources as well as poor institutional backing. The theory likewise describes how leaders impact organizational culture and follower conduct-powerful enforcers of creating commitment and executing strategy. By incorporating strategic thinking at all organizational levels, leaders enable common vision and consistency in performance, both requisites for sustainable competitive advantage (Rowe, 2001). Hence, Strategic Leadership Theory is most suited to this research since it aligns with the study objectives of examining practices of leadership, gauging their impact on competitive advantage, identifying contextual issues, and proposing effective leadership approaches for application in the Zambian business context.

Strategic leadership, as a concept, is focused on the level of entire organizations or corporations. Its philosophical basis, like most of the literature associated with the Business Community, is the survival of the organization in a Darwinian world filled with competition. In terms of scale, strategic leadership focuses on the macroscopic level or that of entire corporations (McKay, 2008). Most theories of strategic leadership deal with how organizations are led as a whole, i.e. the exercise of indirect leadership over an institution. This body of knowledge is rather inclusive. Subsets of strategic leadership include Vision, Decision making, Organizational processes, structures, and control mechanisms Development of successors, External relations, and

Organizational ethics and Culture (Ulmer, 1998). Ireland & Hitt (1999) conceptualize strategic leadership as a set of unique capabilities of anticipating, envisioning, maintaining flexibility, thinking strategically, and empowering employees to generate innovative ideas that lead to high performance. House & Aditya (1997) define it as an activity that is Strategic Leadership as an Antecedent of Competitive Advantage: A Review of Literature International Journal of Managerial Studies and Research (IJMSR) Page | 20 directed towards giving purpose to organizations. Boal & Hooijberg (2001) views it as the ability to create and maintain absorptive and adaptive capacities and the ability to discern environmental opportunities through their managerial wisdom. Rowe & Nejad (2009) define it as an activity of communicating the shared values and a clear vision to employees, and the ability to make decisions with minimum organizational controls.

Strategic leadership is not a new categorization or type of leadership; rather, it is best considered as the strategic element within the broader leadership paradigm. Initially, a definition of strategy can make use of five concepts. First, it is concerned with the idea of direction setting. To decide on the direction for the institution, it is necessary to understand its history and its current situation (Garratt, 1995: 2). Second, strategy, while very often associated with planning in traditional definitions (Fiddler, 1996), might better be thought of as a perspective, as a holistic way of looking at things. Third, the strategy does not get involved in the detailed day-to-day activities but is concerned with broad major dimensions of the organization. Fourth, a medium to longer-term time framework is useful when considering strategy. A final useful concept is that strategy can be used as a template against which to set shorter-term planning and activities (Davies, 2006, 2009). Due to the various definitions, the proposed definition that will guide this paper adopts Ireland & Hitt (1999) and Hagen et al., (1998) conceptually accepted and empirically validated definition of strategic leadership that's based on the unique abilities to anticipate, envisioning, maintaining flexibility, thinking strategically and empowering employees to create new inventions that lead to organizational transformations or changes and ultimately performance improvement.

Perspectives of Strategic Leadership Several perspectives about the construct of strategic leadership exist in research. Most studies on the construct have perceived 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 (Ireland & Hitt, 1999: 43). Strategic leadership is also perceived as competencies associated with the facilitation of daily work in organizations that include a set of goals and setting plans toward attaining the goals, monitoring growth, establishing systems, sorting problems, and settling at resolutions (Kathee, 2013). An argument by Nel (2008) confirmed that human capital is the cumulative knowledge and skills of s firm‟s entire workforce. Globally, significant investments in the economy are needed so that the organizations to obtain complete competitive benefit from their employees. These investments are key towards robust long-term growth in modern economies that rely on knowledge, skills, and information (Nel & Beudeker, 2009).

Strategic leaders are perceived to have the ability to be strategically oriented. This quality involves the ability to consider both the long-term future (Stacey, 1992; Boisot, 1996; Beare, 2001; Adair, 2002), seeing the bigger picture, as well understanding the current contextual setting of the organization. Strategic orientation is the ability to link long-range visions and concepts to daily work. KoracKakabadse and Kakabadse (1999, p. 9) suggest that „visionary leadership is

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transformational by nature, and as such, quite different from planning, which is a managerial or a transactional process. Javidon (1991), quoted in Korac-Kakabadse and Kakabadse (1998, p. 10), suggests that visioning depends on understanding existing realities (culture, history, formative context) and developing a clear sense of direction for the organization. The importance of creating the strategy with others, and not just communicating it to others, maybe the critical skill that strategic leaders deploy in determining the strategic direction of the organization (Kakabadse et al., 1998; Boal & Hooijberg, 2001). Strategic orientation can be considered to be the establishment of an outward-looking organization that builds an understanding of possible future directions and involves engaging in strategic conversations and debates to focus on the most appropriate direction and approach. Strategic leadership is perceived as translators of strategy into action. In addition to strategic leaders leading the creation of an appropriate strategy for the organization is the need to translate strategy into action by converting it into operational terms. Kaplan and Norton (2001) argue that this can be done by „strategy maps‟ and „balanced scorecards‟ and suggest that such approaches „provide a framework Strategic Leadership as an Antecedent of Competitive Advantage: A Review of Literature International Journal of Managerial Studies and Research to describe and communicate the strategy consistently and insightfully‟. Tichy and Sharman (1993) put forward a three-stage process that strategic leaders can undertake, the components of which are: awakening; envisioning; and re-architecting.

The awakening stage involves building an agreement within the school that a continuation of the current way of working is inadequate if it wants to be effective in the future. This may involve the process, described by Davies (2004), of enhancing participation and motivation to understand the necessity for change, through strategic conversations. The envisioning stage is building a clear and understandable picture of what this new way of operating looks like. This may initially involve the creation of strategic intent (Hamel & Prahalad, 1994) and building the capacity to achieve it. One of the competing perspectives to the concept of strategic leadership is visionary leadership. Visionary leadership has been defined as the ability to create and articulate clear visions providing meaning and purpose to the work of an organization (Nanus, 1992;

Sashkin, 1992). Visionary leaders develop their vision then merge it into a shared vision with their colleagues. Communication of the vision is what empowers people to act. When people do not act, it tends to be because the vision has not been communicated; people spend their time trying to figure out what direction to go, which makes them tired and unresponsive (Heath and Heath, 2010). Another competing perspective to the concept of strategic leadership is transformational leadership. A transformational leader is a person who stimulates and inspires (transform) followers to achieve extraordinary outcomes (Robbins and Coulter, 2007). A transformative leader pays attention to the concern and developmental needs of individual followers; they change followers‟ awareness of issues by helping them to look at old problems in a new way; and they can arouse, excite and inspire followers to put out extra effort to achieve group goals. Transformational leadership theory is all about leadership that creates positive change in the followers whereby they take care of each other's interests and act in the interests of the group as a whole (Warrilow, 2012). The concept of transformational leadership was introduced by James Macgregor Burns in 1978 in his descriptive research on political leaders, but its usage has spread into organizational psychology and management with further modifications by B.M Bass and J.B Avalio (Jung & Sosik, 2002).

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Dimensions of Strategic Leadership Strategic leadership has been described by most scholars as encompassing a core of critical practices, which include: determining the long term goals of the organization; exploring and exploiting an organization's core capabilities; managing the human and social assets; inculcating a sustainable organizational culture; emphasizing ethical values and formulating and implementing balanced control systems that will not hinder continuous transformation but at the same time ensure organizational stability (Ireland & Hitt1999; Hagen et al., 1998). Several dimensions and aspects of strategic leadership can be identified from the existent strategic leadership studies. In his studies, Florida (2002 cited in Nissley 2007, pp. 21-22) underlines the importance of creativity both on an economical side as well as on personal aspects of life. Creativity is a driving force of our economy and our society. At work or in our personal life it is valued and cherished, characterizing humans from other species. Creativity is necessary to bring new ideas and implement change which is a driver for innovation and competitiveness. In his book The Rise of Creative Class (2002 cited in Nissley 2007, pp. 21-22), Richard Florida considers creativity as the most capital source for economic growth.

He suggests the existence of a creative class, whose members (artists or engineers for example) are looking for novelty - new ideas, new products, etc. Florida (2002) asserts that creativity is the fuel of our contemporary economy and recognizes creativity as a core competence. In 2010, IBM surveyed 1,500 corporate heads and public sector leaders on what drives them in managing their companies in today's world. They found that creativity was ranked the most important leadership quality for business success, outweighing integrity and global thinking. Strategic motivation has been identified as one of the dimensions of strategic leadership, which is the developing a strategic cause in which individuals are motivated to contribute leads to an improved commitment and effort. Gratton (2000: 19–20) advocates developing „emotional capabilities", trust building capabilities‟, and capabilities to build a „psychological contract‟ as the means of engaging and motivating staff. It can be said that strategic leadership is a process that transforms a Strategic Leadership as an Antecedent of Competitive Advantage:

A Review of Literature International Journal of Managerial Studies and Research organization into a successful organization through proper strategies. It is the responsibility of leadership to motivate and inspire the people in the organization to work jointly so that organization's vision can be translated into reality. Mostly in organizations, efficient leaders perform the common tasks in the strategy-making and executing process. They develop a strategic vision and mission, set goals and objectives, craft the strategies, execute them and then evaluate the performance. Leaders today, more than ever before, have to win people's cooperation. And there are two main ways of doing so: motivation and inspiration. Although the two words are often used interchangeably, they mean quite different things – depending on what you want to achieve. Motivation is about moving people to act in a way that achieves a specific and immediate goal.

When you are motivating people to do something they may not necessarily want to do, you have to offer them something they want in return (Witt, 2009). Motivation is a fundamental element that pushes civilization, innovativeness, and growth whether personal or organizational. In essence, motivated individuals can do any task no matter how insignificant, difficult, or impossible it may seem. In the workplace, employee motivation happens at different levels and scale depending on cultural and leadership values observed by an organization but arguably the approach deployed has implications either positive or negative on employee commitment to their respective tasks, personal and organizational objectives, and team and their ultimate goals (Recklies, 2014; Professionals Australia, 2017). In the 21st century, the creative process which ultimately drives innovation depends on an appropriate leadership style (Martins and Terblanche, 2003; Emam, 2015). Innovation is a company-wide objective, but employees cannot innovate unless the organization's leadership empowers them to do so, whilst creating an atmosphere that rewards and values their contribution (France, Mott and Wagner, 2007).

According to Einstein and Hwang (2008), the relationship between organizational creativity and innovative behavior is both direct and complex, if only because of the blurred boundaries between creativity and innovation (or innovativeness). The quality of implementation of creative ideas is critical. As organizations are pressed to continuously improve, innovate and adapt, creativity has become an increasingly critical component of both individual and organizational performance. Employees are one of an organization's most valuable resources-people create and introduce innovations, and their attitude towards innovations is the most important. The strategic leader plays a crucial role in shaping innovative attitudes in the company. Strategic leaders should be open to new ideas and initiatives of employees; they should support them instead of undermining them. Moreover, they ought to trust their employees by creating a favorable working atmosphere based on teamwork, loyalty, and trust. Employees must be aware of their real impact on innovation processes within the company.

The more managers themselves comprehend the essence and nature of innovation, the easier it is to prepare and convince employees to do so (Janasz & Kozioł-Nadolna 2011). Many scholars have identified creativity and innovation as dimensions of strategic leadership (Martins & Terblanche, 2003; Emam, 2015; France, Mott & Wagner, 2007). Meyer (2009) has identified collaboration as a dimension of strategic leadership. The concept of "Collaborative Leadership‟ is a management practice focusing on leadership skills across functional and organizational boundaries (Meyer, 2009). Collaborative leadership, also called facilitative leadership, adaptive leadership, integral leadership, and catalytic leadership, focuses on power-sharing among groups, units, and organizations (Newell & Ronyne, 2012).In the modern-day, Collaborative Leadership is widely accepted as an integral part of achieving expected performance in the work environment. Lack of collaborative leadership style hamper motivation and enhances conflicts as employees compete in work performance. Collaborative leadership allows teamwork to function effectively as gaps become reduced between leadership and workers (Rubin, 2002).Knowing how to collaborate and build influential partnerships in their organization is a key skill for leaders to develop. It's also an increasingly important capability in leading the modern workforce.

The collaboration combines the knowledge, experience, and creativity of others and creates shared accountability (Stowell, 2017). Robbins et al (2010) define leadership as the ability to influence a group toward the achievement of a vision or a set of goals. Robbins et al (2010) distinguish the leadership role from the managerial role, stating that managers merely use the authority inherent in formal positions to obtain compliance from organizational members. An effective manager will however have to possess and utilize significant Strategic Leadership as an Antecedent of Competitive Advantage: A Review of Literature International Journal of Managerial Studies and Research (IJMSR) Page | 23 leadership ability. Influence is an essential leadership quality that

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gives you the ability to move just one individual or a large group. You can use your influence to launch a new initiative, make strategic decisions, and create change in your organization. Influential leaders perform what others believe to be important (Peters, 2018).

Conceptual Model

A conceptual model is a schematic representation of the links between variables according to the theory. The conceptual model helps you formulate hypotheses (expectations about existing connections) and gives you an insight into the information you need to collect (for example, the survey questions).

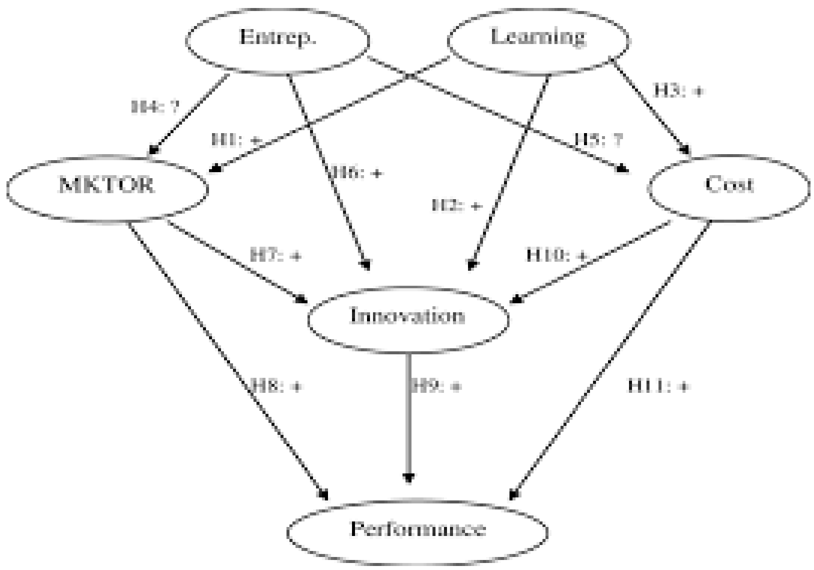

Figure 1: Conceptual Model

The challenges of operationalizing and measuring sustainable competitive advantage (SCA) in organizations, emphasizing the need to integrate both financial and non-financial dimensions for a comprehensive understanding of SCA. Building on competitive strategy theories such as the Resource-Based View (RBV), Dynamic Capabilities View (DCV), Structural Approach, and Blue Ocean Strategy (BOS), this paper synthesizes these frameworks to recommend practical operational constructs for measuring SCA, while addressing gaps in aligning and applying these theories consistently in SCA measurement. A semi-systematic and integrative literature review identified five key constructs essential for measuring SCA: effective supply chain management, product differentiation and innovation, organizational responsiveness, cost leadership, and persistence of financial indicators.

The findings reveal that while these constructs are critical, their operationalization is complex and context-dependent, particularly in adapting to market shifts and technological advancements. Longitudinal studies are recommended to further explore their effectiveness in capturing the dynamic nature of SCA. This study provides valuable insights for academics, practitioners, and strategic leaders on how these constructs can guide strategic decision-making and resource allocation in competitive environments, enabling organizations to maintain long-term success. The paper contributes to the literature by offering a comprehensive framework for operationalizing SCA, highlighting key constructs and their practical implications. The study provides a foundation for future research and offers actionable insights for navigating today's rapidly evolving business landscape.

METHODOLOGY

This study used a qualitative multiple-case study approach to gain an in-depth understanding of strategic leadership practices in real organizational settings. The research was carried out in two private organizations in Lusaka- Firm A, a manufacturing firm, and Firm B, a service organization. These organizations were purposively selected due to their established business reputation and clear strategic orientation. The study population was senior leaders and middle-level managers, who were also picked as key informants due to the fact that they were involved in the implementation and strategy planning. Primary data from 12 participants; six (6) from each company were collected using in-depth semi-structured interviews. The approach offered ease with depth in exploring leadership practices and their perceived impact on competitive advantage. In addition, secondary data were gathered from strategic documents, company reports, and internal reviews of performance in order to triangulate the findings and provide contextual data. Data were analyzed using thematic analysis, which was able to capture repeating patterns and themes between both cases. Analysis covered leadership styles, implementation of strategic initiatives, and resulting market outcomes. This research approach provided a comprehensive, comparative insight into how strategic leadership sustains competitive positioning in Zambia's business environment.

FINDINGS AND DISCUSSION

Leadership Vision and Strategic Direction

The research revealed that Firm A and Firm B exhibit firm leadership in the nature of strategic vision and clear vision. The leaders of both firms regularly defined clear long-term aims and matched them with emerging markets' trend opportunities and business possibilities, although their strategic priorities were distinct in the context of organizational environment and industry location.

Participants from Firm A consistently emphasized the firm's strategic orientation toward export diversification. According to P1 from Firm A, *"Our leadership has been proactive in identifying non-traditional export markets. We've shifted from dependency on just a few sectors to exploring agro-processing and regional trade opportunities."* This reflects a deliberate leadership focus on mitigating market concentration risks and responding to global economic volatility by expanding the firm's product and geographic portfolios.

P2 from the same firm added, "*There's a clear roadmap developed by our executive team. We're guided by data and encouraged to innovate within our roles to support export-oriented goals."* These insights underscore how leadership at Firm A not only defines strategic direction but also cultivates internal alignment and ownership across departments.

By contrast, Firm B managers were described as strongly oriented toward digital change and service innovation. P11 at Firm B reported, "*Our leadership scans the market continuously, looks for changes ahead of time, and revises our strategy accordingly."* It reflects an active, visionary style of leadership, responsive and agile to technology development and shifting customer needs.

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P4 from Firm B emphasized the internal impact of this strategic direction, noting, *"We've moved from traditional service delivery to integrated platforms. Leadership has been clear-adapt or fall behind."* Here, the strategic vision is not static but continually evolving, requiring consistent communication and adaptability from team members at all levels.

Despite varied strategic focuses- export diversification in Firm A and service innovation in Firm B-leaders in both firms exhibited the identical key attributes: market sensitivity, long-term orientation, and the ability to mobilize teams around a common vision. The findings are aligned with leadership research emphasizing the importance of strategic foresight and vision-setting as key competencies in successful leadership (Daft, 2018). The unique feature is the translation of vision into action. Leaders in both environments were not only articulating strategy but embedding it in organizational routines, driving innovation, and establishing a culture of agility. This kind of strategic clarity and alignment support organizational resilience and competitiveness in rapidly changing markets.

Decision-Making and Innovation

The study set out to demonstrate that strategic leadership within Firm A and Firm B exerted a very significant influence on innovation and decision-making processes. Strategic leadership within the two companies fostered an innovation culture, fostered risk-taking behavior, and advocated for ongoing improvement. The two companies shared diverse operating environments but retained common strategic initiatives aimed at enhancing efficiency and customer experience through innovation.

At Firm A, innovation is embedded in process operations through the implementation of lean manufacturing systems. In Firm A, P1 states, *"Leadership introduced lean systems to reduce waste and increase process efficiency. It wasn't just about cost-cutting but improving value at every stage of production."* This shows a leadership-driven shift towards operation excellence, which is characteristic of long-term competitiveness-strategic choices.

P2 in Firm A had explained the decision-making process by saying, *"Our management invites us to identify bottlenecks and recommend solutions. There is encouragement for experimentation, if it is formalized and consistent with our production goals."* This shows an organizational culture in which innovation is not an accident but embedded in decision-making so that employees at various levels can generate improvements in performance.

In a counterpoint, the innovation thrust of Firm B has been led by digitalization and customer experience optimization. P1 from Firm B reported, *"Leadership invested in a digital platform that enables us to personalize services and react to customer feedback in real-time."* This example shows how Firm B's strategic decision-making emphasizes market responsiveness and tech agility.

P2 from Firm B emphasized the inclusive nature of innovation efforts: *"We're constantly encouraged to bring new ideas to leadership. Even if they're not implemented immediately, they're considered seriously. That motivates us to think creatively."* This approach reflects a deliberate leadership effort to decentralize innovation, enabling broader participation in shaping service solutions.

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Although Firm A innovated processes internally and Firm B innovated within digital customer solutions, both companies exhibited leadership styles in line with strategic innovation theory that encourage experimentation, tolerate failure within boundaries, and build knowledge sharing and quick decision-making systems.

Such findings validate the view that leadership to strategy is necessary for imparting innovation into the culture of an organization (Ireland & Hitt, 2005). Both groups of leaders actively drove innovation through systematic procedures and investment choices, hence transforming innovation into something productive and relevant to long-term objectives.

Both companies' leaders invested in staff development and training. Firm B also had more structured leadership development programs, and middle management teams were more flexible. Firm A struggled with succession planning and holding onto skilled staff.

Competitive Positioning

This study discovered that Firm A and Firm B have each created diverse competitive positioning strategies due to their respective market surroundings and leadership directions. Whereas Firm A pursued cost leadership and operational efficiency to cater to regional markets, Firm B pursued differentiation on the grounds of high-quality, technology-driven services based on a competitive domestic market.

Firm A has strategically positioned itself by emphasizing cost efficiency and product reliability, particularly to expand in regional export markets. According to P1 from Firm A, *"We've optimized production and logistics to maintain low costs while keeping quality consistent. That's what our regional customers value most."* This approach aligns with Porter's (1985) cost leadership strategy, where maintaining low operational costs provides a buffer against price competition.

Firm A's P2 continued, *"We focus on delivering consistent quality at fair prices. It's how we stay competitive across borders, especially where price sensitivity is higher."* In these words, we sense the Firm A's competitive advantage is built on pillars of operational efficiency and market-led production strategies that consolidate the Firm's reputation as reliable and affordable.

However, Firm B has created a presence in the local market through differentiation in services based on quality and technology. In Firm B, as explained by P1, *"We don't compete on price; we compete on value. Our services are backed by tech, and that's where we stand out."* This illustrates a differentiation strategy toward those who hold premium values, innovation, and customized experiences in esteem.

P2 went on by saying, *"Our investments in technology are not superficial; they enhance service delivery, create a better user experience, and help us capture insights that remain ahead of customer expectations."* This highlights the foundation of Firm B's competitive position on sustained innovation and responsiveness by leveraging technology to build strong customer relationships.

Both firms, although each adopting a different approach of competition, have been able to align their leadership vision with market demand. Firm A's cost-leading, high-reliability business model provides a firm hold in price-conscious local markets, whereas Firm B's technology-enabled, value-based model allows it to differentiate itself in an overcrowded home market.

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These approaches reflect conventional competitive positioning models such as cost leadership and differentiation; and underscore the significance of leadership in matching organizational capabilities to opportunities in the external environment (Barney, 1991). Strategic simplicity and persistence of implementation have allowed the two firms to cement themselves in their respective markets.

Challenges Identified

Despite the strength identified in competitive positioning and leadership strategy, Firm A and Firm B still have pending issues that hamper the full realization of their strategic goals. These issues traverse financial capacity, leadership development, and external policy environments; each with long-term competitiveness and sustainability implications.

A fundamental internal challenge identified in both companies was the lack of a formal leadership pipeline. None of the companies had a succession plan or a highly developed leadership development program. As P3 from Firm A admitted, *"We promote based on experience or need, not through a defined leadership grooming process."* This ad hoc process leaves the organization more at risk, especially when addressing leadership change or expansion.

Similarly, Company B's P5 observed, *"There are very few leadership development programs. We rely on people learning on the job, which sometimes hinders performance at critical roles."* This gap undermines the ability of the companies to ensure leadership continuity and establish a culture of strategic thinking within future leaders.

Leadership studies highlight succession planning as a cornerstone of organizational resilience, ensuring institutional knowledge and strategic vision are perpetuated over time (Conger & Fulmer, 2003). The gaps that currently exist suggest that intentional investment in talent development and mentorship is needed.

Both firms also identified external regulatory unpredictability as a critical challenge. Frequent policy shifts; particularly those related to tax laws and industry-specific regulations; were reported to disrupt long-term strategic planning. P8 from Firm B stated, *“We’ve had to halt or redesign major projects because the tax regime changed mid-cycle.”*

Firm A respondents had the same grievances, with P5 stating, *"We do the work on our strategic goals, and then along comes new compliance rules or tariffs, and we have to do it all again."* Such interruptions not only put business behind schedule but increase its cost and complexity.

This is consistent with strategic risk theory, which highlights how institutional instability in the external environment can undermine strategic implementation and decrease the predictability that is necessary for efficient resource allocation (Meyer, Estrin, Bhaumik & Peng, 2009).

Access to funding emerged as another constraint, particularly for innovation and expansion initiatives. P3 from Firm A explained, *“We’ve had to delay automation plans due to limited funding options. External financing is difficult to secure without heavy collateral.”* This limits the firm’s ability to scale efficiently and remain competitive in dynamic markets.

Firm B's P7 echoed the same sentiment, stating, "*Digital investments require big upfront investments, but funding cycles and investor caution tend to slow us down.*" The strategic implications are profound, as budget limitations delay time-sensitive projects and preclude rapid response to market opportunities.

This challenge resonates with broader issues in emerging markets, where access to inexpensive capital is often not available, and firms must rely on internal funding or costly credit channels, thus hindering agility and innovation (Beck & Demirgüç-Kunt, 2006).

CONCLUSION AND RECOMMENDATIONS

Conclusion

This study has highlighted the pivotal role of strategic leadership in fueling competitive excellence in the Zambian business landscape. In taking into consideration detailed analysis of two case study firms, it was evident that leadership behaviors based on robust vision, strategic agility, and concentration on innovation and building people are essential in propelling organizational performance and resilience. Leaders' capacity to traverse intricate landscapes, align teams around strategic objectives, and adapt to changes in the market has become a hallmark of success. It is even with these strengths that the research also brought forth recurring weaknesses holding leadership back from full achievement. Internal limitations; i.e., slender leadership pipelines and informal succession planning; along with external pressures like regulatory uncertainty and limited access to capital continue to limit strategic effectiveness. These issues underscore the need for a more deliberate and systematic approach to developing leadership, supported by institutional mechanisms that promote continuity, innovation, and flexibility. For businesses to be sustainable competitive in Zambia's evolving economic landscape, what they need is a visionary leadership framework that not only addresses key operational needs but invests in the strategic vision and organizational capabilities required to thrive in an ever-evolving environment. By embedding leadership development within business strategy and increasing interaction with key stakeholders, businesses are in a position to manage change, drive innovation, and maintain a competitive edge.

The findings indicate that **strategic leadership significantly enhances organizational agility**, which, in turn, positively impacts business performance. This confirms that **organizational agility mediates the relationship between strategic leadership and business performance**, highlighting the importance of adaptability in sustaining competitive advantage. This is consistent with the general theory that strategic leaders must anticipate changes and challenge the status quo to guide an organization toward long-term success.

Recommendations

To construct organizational resilience, effective leadership, and strategic competitiveness, this study proposes a series of interlinked suggestions based on the key challenges and outcomes that arose during the study. These suggestions aim to construct internal capacity alongside preparing firms to better respond to external turbulence and shifting market demands.

First of all, there is an immediate need for firms to invest in formal leadership development programs. Such programs need to include systematic training, mentoring, and coaching for the different leadership levels of the organization. Developing capacity from within the organization not only gives one a bench of quality future leaders but also fosters flexibility and strategic thinking culture. In cases where turnovers are high or unforeseen, there can be stability and continuity drawn from a stable internal leadership force that has been well-trained.

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Secondly, organizations need to build strategic agility by incorporating agile planning templates into organizational functions. Increased dynamism of economic and policy landscapes dictates that decision-makers abandon long-held fixed long-term plans and adopt approaches that allow for responsiveness in real time. This can include scenario planning, continuous market scanning, and decentralized systems of decision-making. In doing so, businesses are well positioned to adapt to change without losing their sense of strategic direction.

Thirdly, stakeholder dialogue. Leaders must work proactively to build and maintain good relationships with key external stakeholders such as regulators, policymakers, industry associations, and local communities. Good dialogue enables organizations to anticipate regulatory change, shape policy debate where appropriate, and enjoy trust-based relations that are institutionally legitimate. In volatile policy environments, open communication and transparency are key tools for minimizing disruption and safeguarding operations.

Fourthly, institutionalizing the innovation incentives. Innovation must be recognized as not solely the preserve of R&D units or top executives, but as an all-team, cross-functional priority infused in everyday routines. Businesses can achieve this by establishing cross-functional innovation teams, facilitating problem-solving in groups and implementing a reward or recognition system for innovative input. This not only improves morale and engagement but also guarantees that innovation activity is linked to the business's overall strategic agenda.

Finally, organizations need to implement formal systems of succession planning. One of the primary internal threats to be recognized in the study was the absence of formalized succession processes, resulting in leadership gaps and instability at the organizational level. By identification and advancement of in-house talent to assume leadership roles in the future, firms are able to reduce reliance on external recruitment, a process that typically leads to cultural misfit and loss of expertise. A succession plan explicitly ensures the preservation of institutional memory and leadership style, as well as strategic vision.

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