






A multitheoretical approach of the leadership in the strategy implementation

Uma abordagem multiteórica da liderança na implementação da estratégia

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To cite this paper: Sousa, L. A. F., Costa, B. K., Lima, E. O., Vils, L., & Pinto, R. F. (2025). A multitheoretical approach of the leadership in the strategy implementation. *Revista de Administração Mackenzie*, 26(4), 1–25. <https://doi.org/10.1590/1678-6971/eRAMR250175>

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Abstract

Purpose: This paper expand the field of studies that explores how leadership does the strategy implementation (IoS).

Originality/value: This study uniquely explores the research gap in the strategy field regarding leadership characteristics and actions that engage people and promote IoS.

Design/method/approach: Based on a literature review and synthesis of theoretical approaches, a theoretical model is developed to generate propositions about leadership's role in the IoS process. This study relies on upper echelon theory, leader-member exchange theory, and the attention-based view to identify leadership characteristics and methods used in IoS.

Findings: A theoretical model and four propositions are introduced regarding the characteristics and actions necessary for leadership when doing IoS. The propositions suggest reflections on the psychological and observable characteristics of leadership responsible for IoS that are useful in practice. For scientific research, the propositions open up possibilities for future empirical studies on IoS and the role of leadership in it. By associating elements of mature theories and the study of procedures for IoS, this study enriches the IoS literature, which, compared to the strategy formulation literature, complements it, is underdeveloped, and needs further studies.

Keywords: strategy implementation, upper echelon theory, leader-member exchange theory, attention-based view, leadership



Resumo

Objetivo: Esse artigo amplia o campo de estudos que explora como a liderança empresarial faz a implementação da estratégia (IdE) empresarial.

Originalidade/valor: Este estudo explora, de maneira singular, a lacuna de pesquisa no campo da estratégia quanto a características e ações da liderança que engajam as pessoas e promovem a IdE.

Design/metodologia/abordagem: A partir de uma revisão da literatura e de uma síntese de abordagens teóricas, elabora-se um modelo teórico com o qual são geradas proposições sobre a atuação da liderança no processo de IdE. Este estudo baseia-se nas teorias do alto escalão, da troca líder-membro e da visão baseada na atenção identificando características e formas de atuação da liderança usadas na IdE.

Resultados: São apresentados um modelo teórico e quatro proposições sobre características e ações necessárias à liderança quando ela precisa fazer a IdE. As proposições sugerem reflexões a considerar na prática quanto às características psicológicas e observáveis da liderança a cargo da IdE. Para a pesquisa científica, as proposições abrem possibilidades para futuros estudos empíricos acerca da IdE e do papel da liderança nela. Associando elementos de teorias maduras e do estudo de procedimentos para a IdE, este estudo enriquece a literatura sobre IdE que, comparada à literatura sobre formulação da estratégia, a complementa, é pouco desenvolvida e necessita de mais estudos.

Palavras-chave: implementação da estratégia, Teoria do Alto Escalão, Teoria da Troca Líder-Membro, visão baseada na atenção, liderança

INTRODUCTION

The upper echelon theory (Hambrick & Mason, 1984) provides an understanding of the characteristics of leaders and other individuals who formulate and implement business strategy (IoS). According to the theory, strategic decisions reflect the experiences, values, and cognitions of the managers responsible for defining them. Thus, the upper echelon theory explains not only the strategic choices made by the upper echelon in organizations but also the actions of individuals who influence the decision-making process.

Studies show that the management body contributes to companies, among other aspects, with the implementation of strategy (IoS) (Heide et al., 2002; Pereira et al., 2019), transmits the values and drivers of the organization to the teams (Lichtenstein et al., 2017; Lichtenstein & Dade, 2007; Nedelko & Potocan, 2021) and deals with strategic dimensions that affect organizational performance and impact stakeholders (Hristov & Appolloni, 2022). The efforts of the management for the IoS focus on actions that involve people (Tawse & Tabesh, 2021), processes, measurement of results, and the strategy itself (Vigfússon et al., 2021). This context positions the IoS as a dynamic, iterative, and complex process, which includes decisions made by managers and activities performed by people (Radomska & Kozyra, 2020) in transforming strategic plans into reality, through the IoS, with the purpose of achieving the strategic objectives of the company in a context affected by interrelated internal and external factors (Oliveira et al., 2019; Friesl et al., 2020; Yang et al., 2010). In this same context, from the perspective of upper echelon theory (Hambrick & Mason, 1984), managers can be understood as leaders involved in decision-making participating in the upper echelon and shaping organizational behavior and the dynamics of the IoS.

The literature indicates that many formulated strategies are not implemented, or their implementation reaches results different from those originally desired (Cândido & Santos, 2015; Hoverstadt et al., 2020; Sull et al., 2015). Research on the internal factors within the company that cause low success rates in strategic implementation has gained attention in the literature (Cândido & Santos, 2015, 2019; Vigfússon et al., 2021). In studies on internal factors that affect strategic implementation, the leadership factor appears most frequently (Cândido & Santos, 2019). The impact of leadership on the content of the strategy, on employees, and the use of resources is considerable (Radomska & Kozyra, 2020). The relevance of the leadership role in strategic implementation inspired this study, which aims to formu-



late a theoretical model with propositions about characteristics and actions executed by leadership to achieve the implementation of the strategy. To this end, this study brings four propositions of actions within the reach of leadership that is in charge of the implementation of the strategy.

To support the four propositions, this study integrates elements from the following theories: (i) Upper Echelon Theory, which considers the observable and psychological characteristics of leaders (Hambrick & Mason, 1984); (ii) Leader-Member Exchange (LMX) Theory, which describes the quality of the relationship between leaders and their team members and its effects on the work environment (Dansereau et al., 1975); (iii) the Attention-Based View (ABV), which posits that organizations make decisions based on selective attention to information and signals from both external and internal environments (Ocasio, 1997); and (iv) the strategic initiative implementation process, which examines the relationship between managerial actions and their consequences (Oliveira et al., 2019). The success of a strategic initiative does not stem from the original idea itself, a plan, or an intention, but rather from a strategic agenda that emerges through organizational interactions. This strategic agenda is characterized by a pattern of consistency, compatibility, and coherence in the organization's attentional focus (Ocasio & Joseph, 2018).

The theoretical contribution of this study lies in the presentation of a conceptual model and four propositions derived from multiple complementary theories to explain the implementation of strategy (IoS). The practical contribution to the business field is to encourage reflections on the characteristics and actions of leaders that drive the successful implementation of the strategy. The proposed model emphasizes the alignment between individuals' profiles and their actions, highlighting the need to identify and consider the psychological and observable characteristics of leaders responsible for executing strategic initiatives. This alignment aims to foster team commitment and direct the organization's attentional focus toward the processes that enable effective implementation.

The development of this study begins with a literature review on the central topic to identify the nature and scope of research evidence on leadership and IoS. Based on this review, a theoretical model is developed, and four propositions are formulated. This study focuses on the individual as the unit of analysis. References to organizational-level processes are made solely to provide context for addressing the core themes.





STUDY DESIGN

This study considers strategy implementation (IoS) and strategy execution (EE) as synonymous. Although some authors distinguish between IoS and EE (Radomska & Kozyra, 2020), most studies treat them as equivalent terms (Oliveira et al., 2019; Ivančić et al., 2021; Srivastava & Sushil, 2013; Vigfússon et al., 2021). For the purposes of this article, we have chosen the term “implementation” as it aligns with our approach, while acknowledging the relevance of “execution” as used in other studies, which may be complementary to this one.

Strategy formulation and implementation

Leaders in organizations formulate and implement strategies to increase market willingness to pay a premium for a product or service, reducing production costs, or simultaneously leveraging resources and capabilities from different stakeholders (Barney, 2018; Brandenburger & Stuart, 1996). Strategies consist of a set of interrelated elements that define where the company will compete (e.g. specific markets and segments); the mechanisms it will employ (e.g. internal development, joint ventures, acquisitions, or licensing); its competitive advantages (e.g. positioning, pricing, value proposition, and focus); the sequencing of strategic actions; and the underlying economic logic (e.g. economies of scope or scale, or premium pricing driven by product or service uniqueness) (Hambrick & Fredrickson, 2005).

Another characteristic of strategy relates to its scope. Two distinct levels of strategy can be identified within a company: (i) corporate strategy, which provides general guidelines to be followed by all functions; and (ii) functional strategy, which involves the implementation of corporate strategy across various areas or functions of the company, such as human resources, marketing, finance, and others (El-Ansary, 2006; Megicks, 2007; Soriano, 2005). According to Albert (2021), corporate-level strategy is based on decisions regarding business portfolio options and market entry alternatives, such as joint ventures, local or regional operations, and growth through organic efforts or acquisitions, whereas functional-level strategy focuses on decisions and actions within the specific functions of the company (marketing, human resources, finance, logistics, etc.).

This study encompasses both corporate and functional levels. The focus of this study is on the IoS actions that are under the control and influence of the managerial team. Therefore, it does not address actions that cannot be manipulated by the managerial team, such as the organizational structure.



Strategy implementation (IoS)

The volume of studies on IoS is smaller than that on strategy formulation (Amoo et al., 2019; Oliveira et al., 2019; Pereira et al., 2019; Weiser et al., 2020). Existing studies have not yet created a unified body of knowledge on the topic (Friesl et al., 2020). This research gap encourages the development of new studies on IoS.

The existing literature does not present a consensus on the definition of IoS (Tawse & Tabesh, 2021). Among the causes of this lack of consensus are the limited number of empirical studies (Vigfússon et al., 2021) and the thematic fragmentation of research, evidenced by the use of different philosophies, underlying theories, and focus on distinct objects of analysis to address the IoS phenomenon (El-Ansary, 2006; Soriano, 2005; Weiser et al., 2020). This study adopts the IoS definition proposed by Oliveira et al. (2019), which seeks to use the nouns present in sentences to associate metrics that allow for the assessment of IoS' evolution, namely:

Strategy execution (implementation) is the process, and related procedures, of (i) informing – and being informed by – managers and employees about company challenges as well as of (ii) translating the strategic plan (either explicitly stated or else just assumed by top level managers) into specific actions and (iii) establishing consistence among distributed company efforts and among respective resource-allocation decisions, in search of coherent movement for alignment between organizational effort and strategic intention in pursuit of corporate objectives (Oliveira et al., 2019, p. 9).

The essence of the IoS definition that contributes to this study is expressed in the procedures applied by the company related to “informing and being informed,” “translating procedures,” and “establishing consistency among efforts.” These are elements that leadership can effectively materialize in the IoS process.

Barriers and Enablers of IoS

The factors impacting IoS are identified as barriers, enablers, or dualistic factors, which can function as either barriers or enablers (Cândido & Santos, 2019; Heide et al., 2002; Vigfússon et al., 2021). There is no consensus on which factors are the most important (Cândido & Santos, 2019) or



which models are most suitable for analyzing them (Heide et al., 2002; Vigfússon et al., 2021).

Communication, both vertical and horizontal, plays a central role in ensuring that the organization achieves a shared understanding of strategic objectives (Heide et al., 2002; Mayfield et al., 2015). The communication stemming from the discourse that leadership uses to convey the strategy must be consistent and clear throughout the organization and externally as well (Mayfield et al., 2015). High-quality IoS requires that everyone in the organization consistently articulate the meaning of the strategy (Heide et al., 2002; Mayfield et al., 2015; Weiser et al., 2020). In this context, it is essential to understand the role of leadership in the IoS process.

Leadership plays a crucial role in the transition from strategy formulation to implementation (Amoo et al., 2019; Ivančić et al., 2021; Tawse et al., 2019). It is leadership that externalizes stimuli related to strategy and its implementation (Tawse et al., 2019), as well as translates top management's expectations into activities by managing key company projects and initiatives or coordinating teams' daily operations (Ivančić et al., 2021). Leadership also plays a vital role in preventing the essence of communication from being eroded when strategy is cascaded to more operational levels (Gibson et al., 2019) and fulfills this role through active involvement in project management, communication, monitoring, and control (Amoo et al., 2019).

Given the relevance of communication and leadership in the IoS process, this study sought a theoretical framework that connects these two factors to develop propositions on leadership and IoS. The leader-member exchange (LMX) theory was identified as a compatible framework for this purpose.

Leader member exchange theory

Since the aforementioned studies have demonstrated that IoS requires strong interaction between communication, leaders, and their team members, the leader-member exchange (LMX) theory was chosen to support this study based on the following elements.

LMX differs from other leadership theories due to its focus on the quality of the relationship between leaders and team members (Graen & Uhl-Bien, 1995). Studies on LMX assume that the relational needs of leaders and team members are similar. However, Uhl-Bien et al. (2022) provided evidence that leaders prioritize three dimensions in establishing relationships with their team members, which serve as the foundation for the LMX approach they proposed.



The leadership approach adopted in this study follows the perspective of Graen & Uhl-Bien (1995), based on the LMX theory. According to the authors, the LMX approach comprises three key dimensions: respect, trust, and obligation, which are the foundation for building a leader-member partnership. Each of these dimensions is summarized as follows: i) Mutual respect's capabilities; ii) Expectation of deepening reciprocal trust over time; and iii) Expectation that the obligation to interact will grow over time as goal-oriented social exchanges evolve into a partnership.

Thus, this approach addresses the gap identified by Gottfredson et al. (2020) regarding the ability to accurately assess the quality of leader-follower relationships and test causal hypotheses without introducing an overly broad range of concepts and themes related to its measurement. Accordingly, the construct highlights interpersonal relationships by emphasizing the leader's role in fostering team engagement, enabling team influence in decision-making, maintaining open and honest communication, and supporting team members' actions. In return, team members reciprocate with dedication and commitment to the success of the unit or organization as a whole (Graen & Uhl-Bien, 1995).

LMX focuses on the quality of the relationship between the leader and the team member, without addressing the leader's personal characteristics. The following section discusses these characteristics.

Upper echelon theory

The upper echelon theory posits that an organization's outcomes can be predicted based on two characteristics of its leaders (managers) that shape strategic choices: psychological characteristics—values and cognitive bases—and observable characteristics—age, experience, and education (Hambrick & Mason, 1984).

Among the personal psychological characteristics that guide decision-making, Lichtenstein et al. (2017) categorize two distinct value orientations: (i) external, which is driven by the need for self and social esteem; and (ii) internal, which is guided by the need for personal growth, self-actualization, and self-transcendence. Thus, individuals with an internal orientation tend to achieve better results when leading diversification strategies, which require creative and innovative approaches, whereas those with an external orientation are more effective in short-term, performance-driven strategic initiatives (Lichtenstein et al., 2017).

Among the observable characteristics related to the competencies a leader should possess, the “mobilization competence” is a predictor of leadership



effectiveness (Kozłmiński et al., 2022). Mobilization competence refers to the leader's ability to generate an extraordinary level of commitment among followers (Kozłmiński, 2015). This competence suggests that the leader should exhibit traits that facilitate high-quality relationships with the team and effectively direct attention toward IoS.

Attention based view

The Attention-Based View (ABV) is based on the central premise that decision-makers' actions depend on how they selectively focus their attention on certain characteristics of the organization and its external environment, while ignoring others (Ocasio, 1997). Due to the selective way in which decision-makers focus their attention, managers' attention perspectives affect companies in a differentiated and unique way (Andersén, 2022). The ABV highlights that a company's strategy is defined by the pattern of organizational attention, that is, the selective focus on problems, opportunities, and alternative actions (Joseph et al., 2024). Therefore, leadership must understand and shape the organizational structure to address attention dynamics, ensuring that attention is directed coherently and effectively toward the company's strategic objectives.

Emotions, shaped by organizational structures and communicative practices, were studied by Brielmaier and Friesl (2023), who found how they influence attentional engagement, impacting the way cognitive resources are allocated for problem-solving, planning, and decision-making. Thus, understanding the interaction between attention, emotions, and the organizational context is crucial to ensure that attention is effectively directed toward strategic objectives and for the successful implementation of strategy.

The IoS requires that everyone in the organization maintain consistent attention on the strategy (Weiser et al., 2020), as per the perspective of the Attention-Based View (ABV), success in IoS does not stem solely from the original idea of the strategy, but rather from having a strategic agenda that generates a degree of consistency, compatibility, and coherence in the focus of attention on the strategy to be implemented (Ocasio & Joseph, 2018), and from actions through which managers influence the execution process; the necessary conditions for the effectiveness of IoS and managerial capabilities to create the best possible combination of conditions that trigger the most appropriate managerial actions (Tawse & Tabesh, 2021).

When placing the ABV and the upper echelon theory side by side, it is noted that they combine with each other by associating the characteristics of the leader that determine choices with the selective way of focusing attention.



MODEL AND DEVELOPMENT OF PROPOSITIONS

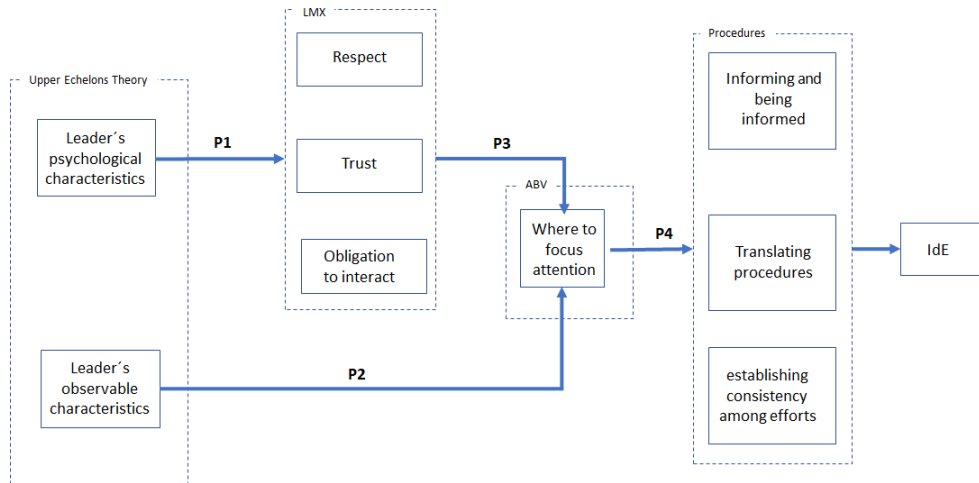
In this section, it is proposed a model that integrates elements from the Upper Echelon Theory, LMX, ABV, and the procedures identified in the definition of IoS, as proposed by Oliveira et al. (2019). The integration framework of the elements from each conceptual contribution is illustrated in Figure 1.

The model connects leaders' characteristics to interpersonal dynamics and organizational processes, aiming for a comprehensive understanding of IoS. It starts with the psychological characteristics of leaders, as per the Upper Echelon Theory (Hambrick & Mason, 1984), and connects them to group processes, represented by the quality of leader-member exchange (LMX) relationships. The organizational attention pattern, described by the Attention-Based View (Ocasio, 1997), impacts IoS through the interaction of group processes with the observable characteristics of leaders.

This study reveals the inherent complexity of the IoS phenomenon, which involves both mutual and causal relationships between these different levels. Although the model presents mutual influence relationships, the predominant relationship is causal, as the characteristics and actions of leadership are factors that initiate a sequence of events affecting IoS. The propositions formulated aim to clarify how leadership characteristics, group dynamics, and the attentional focus combine to influence the success of IoS.

The proposition of the integration structure of the theories, illustrated in Figure 1, was inspired by the common feature present in articles that explore the role of leadership in the transition from strategy formulation to implementation. Existing studies focus more on analyzing the direct or contextual effects of executive-related variables on company performance (Cândido & Santos, 2019; Menghwar & Daood, 2021; Nienaber, 2022; Tawse et al., 2019; Tawse & Tabesh, 2021; Weiser et al., 2020), with less attention paid to the processes and interconnections of theories in strategic choices (Colbert et al., 2014).

This study explores the processes and interconnections of the theories using the propositions contextualized as shown in Figure 1. The propositions are elaborated in the following subsection.

Figure 1*Integration structure of the elements from each conceptual contribution*

Psychological Characteristics of the Leader and LMX

Collective organizational commitment is a critical factor for company performance (Dafiq & Solihat, 2023) due to its direct impact on employee retention and engagement (Pirrolas & Correia, 2023). This commitment is influenced by the quality of interactions between leaders and team members, as suggested by LMX (Graen & Uhl-Bien, 1995). LMX suggests that high-quality relationships, based on trust and mutual respect, enhance employee retention and commitment, especially during times of crisis (Walumbwa et al., 2011).

According to upper echelon theory (Hambrick & Mason, 1984), the psychological characteristics of senior leaders—including personal values, experiences, and cognitive foundations—directly influence their strategic perceptions and decisions. These characteristics not only shape the organization's overall policies but also define the context in which lower-level leaders operate. This is supported by Kauppila (2016), who suggests that the perceptions of lower-level employees are strongly influenced by senior leadership attributes, indicating that top executives set the stage for LMX relationships to develop. Colbert et al. (2014) further reinforce this view by emphasizing that leaders' psychological traits—such as empathy, resilience, and optimism—have motivational effects that influence how they manage their teams and tackle challenges. These characteristics are crucial in shaping



leadership behaviors that foster high-quality leader-member relationships (high LMX), creating an environment of trust, open communication, and mutual support. Such behaviors and practices are particularly vital in times of crisis, where leadership capacity is tested and can determine both team effectiveness and well-being (Braga & Santos, 2023). These insights suggest that leadership decisions and styles establish an organizational context that directly affects how LMX relationships evolve across hierarchical levels.

LMX argues that the quality of the relationship between leader and member is built over time, based on trust, respect, and commitment. High LMX relationships occur when leaders are able to establish rich exchanges, going beyond minimal contractual interactions and promoting greater involvement and reciprocity (Walumbwa et al., 2011). For this to happen, leaders must demonstrate positive psychological characteristics, such as emotional resilience, cognitive clarity, and well-defined values – qualities often associated with upper echelon theory, which recognizes that leaders with these cognitive foundations are more likely to create more productive and integrated work environments (Hambrick & Mason, 1984). Upper echelon theory (Hambrick & Mason, 1984) complements this perspective by suggesting that the psychological characteristics of leaders – such as emotional resilience, cognitive clarity, and well-defined values – influence their leadership decisions and behaviors. Leaders with these characteristics are more likely to create organizational environments that favor trust and collaboration, factors essential for the development of high LMX relationships. Thus, the interaction between these two theories indicates that the cognitive bases of leaders not only impact the strategic level of the organization, but also directly shape the dynamics of interpersonal relationships within teams.

In extreme situations, such as organizational crises, leaders with these psychological characteristics exhibit a superior ability to manage team stress and maintain effectiveness (Braga & Santos, 2023). These leaders tend to foster a positive and resilient mindset, which contributes to the development of high-quality LMX relationships even under adverse conditions (Tuan, 2022). This dynamic strengthens the bond between team members and leaders, enhancing both organizational performance and employee commitment while positively impacting talent retention (Pirrolas & Correia, 2023).

Therefore, by integrating the findings of Colbert et al. (2014), Kauppila (2016) and Hambrick & Mason (1984), it becomes clear that the psychological characteristics of leaders – including their values and cognitive foundations – play a key role in fostering high-quality exchange relationships (high LMX). These relationships, in turn, directly influence organizational performance and talent retention, supporting the following proposition:





Proposition 1: The psychological characteristics of senior leaders shape the quality of leader-member exchange relationships, resulting in actions that promote high LMX.

Observable Leader Characteristics and Attentional Focus

According to upper echelon theory (Hambrick & Mason, 1984), a company's strategic decisions are made based on contextual factors and influenced by the rationality and cognitive patterns of its leaders. These mental factors (such as education, experience, vision, and values) affect their strategic choices and managerial behavior. They also shape how leaders process and interpret information, creating biases in how they perceive the organization's internal and external environment.

However, the decision-making context is often overloaded with a vast amount of information, leading leaders to interpret it selectively (Liao et al., 2022), filtering and focusing on elements they deem most relevant to their decisions. This selective interpretation, shaped by the observable characteristics of leaders – such as age, education, experience, career path, socio-economic background, and financial position (Hambrick & Mason, 1984) – establishes an attentional focus that directs the perception and prioritization of information, aligning with the Attention-Based View (ABV), according to which the allocation of decision-makers' attention is limited and guided by contextual and structural factors of the organization (Ocasio, 1997). The ABV suggests that decision-makers selectively focus their attention on key characteristics of the organization and the external environment, while ignoring other less prioritized aspects due to the limited capacity to process information comprehensively (Liao et al., 2022). Upper echelon theory and the ABV, although distinct in their focus, complement each other as the observable characteristics of the leader (upper echelon theory) act as a filter that influences situated attention (ABV).

Selective interpretation becomes even more critical in dynamic and high-uncertainty environments, where leaders face constant pressure to adjust their strategies and ensure organizational performance, particularly during crises or extreme events (Braga & Santos, 2023). Observable characteristics, such as age, education, and experience, directly affect how these leaders process information and establish their priorities, which was observed by Bjornali et al. (2016) in a study of technology sector start-ups. They found that diversity in the upper echelon moderates the relationship between individual engagement and group effectiveness, suggesting that





different demographic and experiential profiles affect how leaders adjust their focus and manage performance.

When analyzing the upper echelon as a group of individuals who make strategic decisions based on their attentional focus, it becomes evident that the observable characteristics of leaders play a central role in the information filtering and selection process (Bjornali et al., 2016). Leaders with different educational backgrounds and experiences will have distinct views on the company's context and situation, as well as different notions of what deserves attention. This directly influences the decisions they make and the actions they take.

Therefore, based on upper echelon theory and the ABV, it is possible to propose that the observable characteristics of leaders – such as age, education, and experience – affect how they direct their attention to critical topics. This cognitive limitation in processing information comprehensively ultimately guides decision-making, with a direct impact on organizational performance.

Proposition 2: The observable characteristics of leaders (age, education, experience) direct their attention to certain topics, influencing decision-making.

LMX and attentional focus

LMX theory suggests that leaders differentiate members of their teams into two distinct levels: the in-group (high LMX) and the out-group (low LMX) based on their affection for them (Graen & Uhl-Bien, 1995). Team members who are in the in-group exhibit greater personal initiative, promptness, and proactive behavior in meetings – the effects of LMX differentiation on the proactive behavior of out-group members are less clear (Estel et al., 2019). This effect of differentiation between LMX levels can be understood in light of the ABV, as leaders' attentional processing may favor in-group members, directing more cognitive resources to these individuals.

The study conducted by König (2020) on the aspects that direct the organization's attentional processing identified five dimensions that shape the cognitions, emotions, and experiences of organizational members: decision-making power, legitimacy before internal and external actors, responsibility for a topic, and external rationality (adherence to external standards and norms). These five dimensions interact with the three main dimensions of LMX, which are respect, trust, and obligation.





- The respect dimension, as per LMX, can be associated with the decision-making power mentioned by König (2020). Respect between leader and member is built when the leader appropriately delegates tasks, recognizing the member's ability and competence to perform the task (Graen & Uhl-Bien, 1995). This delegation process is linked to decision-making power, in which the leader recognizes and trusts the member's ability, promoting a work environment where respect is strengthened by trust in the individual's capabilities
- The trust dimension in LMX is directly linked to legitimacy before internal and external actors. Trust is built when the leader uses the power delegated to him/her in a way that strengthens the bonds of interaction and cooperation within the team (Graen & Uhl-Bien, 1995). When the leader demonstrates legitimacy both internally (to his/her collaborators) and externally (to other stakeholders), he/she generates an environment of trust, where interactions are perceived as authentic and oriented towards the common good, solidifying the exchange relationship with members (Savolainen & López-Fresno, 2014).
- Finally, the obligation dimension in LMX reflects a correspondence with external rationality, which refers to adherence to external standards and norms. In the leader-member relationship, obligation goes beyond formal contracts, being based on a mutual responsibility that strengthens the partnership (Graen & Uhl-Bien, 1995). Interactions between leader and member, when based on data, facts, and clear guidelines, promote a sense of duty and commitment that transcends personal interests and ensures that decisions and actions are aligned with external expectations and standards, contributing to greater cohesion and organizational alignment

In the context of the ABV, the organization's attentional processing is guided by how leaders and team members focus their attention on topics relevant to the company's strategy and operation (Ocasio & Joseph, 2018). Leadership influence mechanisms that affect the allocation of cognitive resources and the perception of organizational reality. In this way, high LMX, characterized by respect, trust, and mutual obligation, fosters an environment in which the selective attention of members and leaders aligns with the strategic agenda, while low-quality relationships can fragment this attention, hindering the achievement of the strategy.

Therefore, by integrating the dimensions of LMX (Graen & Uhl-Bien, 1995) with the dimensions identified by König (2020), it is possible to propose that the leader's actions related to respect, trust, and obligation exert





a direct influence on the organization's directional processing, shaping how attention is distributed and how decisions are made regarding strategic and operational issues.

Proposition 3: The actions that the leader performs related to the dimensions of LMX – respect, trust, and obligation – direct the organization's directional processing, which in turn impacts how attention is distributed and how decisions are made regarding strategic and operational issues.

Attentional focus and IoS

The ABV understands that a company's strategy is shaped by the pattern of organizational attention, that is, the way leaders and managers direct their attention to a specific set of issues, problems, opportunities, and threats. This pattern of attention directly influences which organizational activities and initiatives are prioritized and how the strategy is implemented in the organization's daily operations (Ocasio & Joseph, 2018).

In the context of IoS, Oliveira et al. (2019) identify three fundamental procedures to ensure alignment and effective execution of the strategy. These procedures are deeply connected to the role of leadership in directing organizational attention to the critical elements of the strategy:

- i. Informing and being informed: This procedure implies the need to establish control and feedback mechanisms that allow continuous monitoring of results in relation to strategic objectives. It also requires constant vigilance over the internal and external environment, in order to identify changes that may require corrective actions. Effective communication plays a central role here, and the leader has the responsibility to disseminate clear information about the strategy and its progress, promoting understanding, dialogue and negotiation among all involved in the execution of the strategy. This ensures that teams are aligned and aware of the goals and challenges.
- ii. Translating procedures: This procedure refers to the ability to transform the strategy into concrete actions. The leader needs to establish clear objectives and promote the consistency of organizational efforts, ensuring that policies and practices are aligned with the necessary competencies for the successful execution of the strategy. The leader's role is fundamental in creating an environment where members of the organization understand the processes and actions that must be implemented to achieve the strategic objectives.





- iii. Establishing consistency between efforts: This procedure involves the integration and coordination of the efforts of the entire organization. The leader is responsible for ensuring that resources are allocated efficiently and that people are mobilized around a common purpose. This includes promoting commitment, cooperation and conflict resolution, ensuring that activities and initiatives are aligned with strategic objectives. Leadership plays a crucial role in reinforcing coherence between the different areas of the organization, minimizing divergences and maximizing efficiency in execution.

The ABV contributes to the understanding of how leaders define the pattern of organizational attention (Ocasio, 1997), which is essential for the success of IoS (Ocasio & Joseph, 2018). By directing the organization's focus to critical issues and aligning efforts with strategic objectives, leaders not only facilitate strategy implementation, but also ensure that the organization is prepared to adapt to the changes and challenges that arise in the competitive environment (Ocasio & Joseph, 2018).

Therefore, based on the ABV and the IoS procedures, it can be proposed that the leader plays a central role in defining the pattern of organizational attention, promoting procedures to inform and be informed, translate the strategy into concrete actions, and ensure the consistency of efforts among teams. Leadership is the link that connects the strategy to its execution, directing attention to the most critical areas and ensuring the cohesion of efforts throughout the organization.

Proposition 4: The leader establishes the pattern of organizational attention that promotes procedures for informing and being informed, translating procedures, and establishing consistency between efforts, impacting the implementation of the strategy.

FINAL CONSIDERATIONS

To explore which leadership characteristics and actions affect IoS, this multi-theoretical study brought together elements of upper echelon theory (Hambrick & Mason, 1984), leader-member exchange theory (Graen & Uhl-Bien, 1995), attention-based view theory (Ocasio, 1997) and the set of procedures for IoS (Oliveira et al., 2019), from which it formulated a set of four propositions about leadership actions that affect IoS.

The multi-theoretical model presented proposes to integrate elements of distinct theories and base propositions on leadership characteristics and



actions that it must perform aiming at IoS. The integration of elements from distinct theories shows that the set of actions that leadership must perform aiming at IoS does not occur naturally, considering the different concepts that complement each other. Within a logic that considers elements of upper echelon theory, LMX, ABV and IoS.

If the set of propositions listed in this study is observed by companies, it is expected to be possible to identify and allocate people with the appropriate characteristics to engage teams, focus attention and promote the procedures that support IoS.

This study contributes to leadership because both top management and the executive who will be in charge of actions related to IoS need to be aligned regarding the psychological and observable characteristics of leaders that ensure having the right people occupying the right positions to ensure the success of IoS. Top management, whether in boards of directors or other similar bodies, and leaders need to agree among themselves on the appropriate profile for each occupant of a function who will act in the IoS before simply appointing people and delegating responsibilities related to the IoS.

To ensure a greater chance of success in IoS, leaders can use the propositions raised in this study to question themselves: How do I discover if my values, and beliefs are aligned with the company's strategy? How can I work the concepts of LMX to gain greater team adherence to the strategy? How to reconcile themes and give focus to the team aiming at effectiveness? How can I use this information and knowledge to gradually develop better procedures to increase the chance of success of IoS?

Eventually, the answers to these questions require that leaders and members of boards of directors have to adjust their leadership styles motivated by needs imposed by the strategy to be carried out in order to increase the chance of success of IoS.

LIMITATIONS AND SUGGESTIONS FOR FUTURE RESEARCH

This multi-theoretical study presented, in a structured way, elements about the personal characteristics of leaders, as well as behaviors and actions that they must undertake aiming at success in IoS. The limitations of this study are related to its theoretically exploratory nature. This makes it necessary to empirically analyze the propositions listed here. Furthermore, due to not addressing indicators of IoS success, this document only scratches the surface of the dynamics of different components that ensure the success of IoS. Additional research that is willing to empirically validate the proposi-



tions is the next logical step. In this sense, the development of a new group of propositions may arise aiming to increase the reliability and validity of the findings and conclusions. Finally, empirical tests are recommended to explore the theoretical model proposed here.

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