

# THE MEDIATING ROLE OF EMPLOYEE ALIGNMENT IN THE RELATIONSHIP BETWEEN CEO'S SKILLS AND SUCCESSFUL STRATEGY EXECUTION

Ahmad Nasser Abuzaid \*

\* Department of Business Administration, School of Business, Mutah University, Al-Karak, Jordan  
Contact details: Department of Business Administration, School of Business, Mutah University, 61710 Al-Karak, Jordan



## Abstract

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Regardless of the amount of research and focus on the success of the strategy execution, there does still appear to be a gap in the existing body of literature, which may lead to potential deficits in understanding the role of other factors such as chief executive officers' (CEOs') skills, and the alignment of the employee in the successful execution of the strategy. Therefore, the current study investigates the relationship between CEOs' skills and successful strategy execution and the mediating effect of employee alignment on this relationship. The current study utilized quantitative and descriptive research methods with a survey research design. One hundred and thirty-nine CEOs of the service companies operating in Jordan completed the web-based survey questionnaire. The structural equation modeling (SEM) method was employed to test the study hypotheses. The findings revealed that CEOs' skills and employee alignment have a significant and positive impact on successful strategy execution. In addition, the results indicated that employee alignment has a partial mediating effect on the relationship between CEOs' skills and successful strategy execution. To execute the strategy successfully, CEOs in the hypercompetitive environment need to apply both the technical skills of the job and the diverse soft skills and ensure that employees understand the link between their job responsibilities and the strategy execution through an effective communicating process.

**Keywords:** CEO's Skills, Successful Strategy Execution, Employee Alignment, Service Companies, Jordan, Structural Equation Modeling (SEM)

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## 1. INTRODUCTION

Increasing aggressive competition and continuously changing conditions are causing today's chief executive officers in all companies to take strategic management seriously to maintain their organizations' competitiveness in an increasingly volatile,

ambiguous, complex, and uncertain environment (Wheelen & Hunger, 2012). Therefore, the active chief executive officers (CEOs), with the support of the rest of the top management team, must successfully carry out the strategic planning process; to achieve a fit between the company and its environment and sustain its competitiveness

(Hitt et al., 2007). The strategic planning process begins with scanning the external and internal environment to identify the strengths, weaknesses, opportunities, and threats (Wheelen & Hunger, 2012). Then CEOs move to the next step, strategy formulation, which includes identifying the company mission, vision, objectives, strategies, and policies; and crafting long-term plans to manage threats and opportunities effectively based on the company's weaknesses and strengths (Thompson et al., 2011). After CEOs formulate the company strategy, they should implement or execute it (Kaplan & Norton, 2008). Strategy implementation is defined as "the process that turns the formulated strategy into a series of actions and then results to ensure that the vision, mission, strategy and strategic objectives of the organization are successfully achieved as planned" (Thompson & Strickland, 2003, p. 110). Successful strategy execution is crucial to company success (Bigler & Williams, 2013). Companies that successfully execute strategy attain their strategic goals and objectives and keep a satisfactory level of performance (Miller et al., 2004; Yukl, 2008). However, the literature demonstrates that some companies excel at executing strategy while others fail (Sterling, 2003). In this regard, Atkinson (2006), Harrington and Voehl (2012), and Rajasekar (2014) demonstrated that many companies have failed to implement their formulated strategies. Scholars and practitioners dedicated extensive efforts to identifying the reasons behind strategy execution failure and what factors contribute to the success. Consequently, prior studies have identified a well prepared and formulated strategy (Hosseini et al., 2014; Mukherjee, 2017; Safdari Ranjbar et al., 2014), control and feedback (Obeidat et al., 2017), the existence of operations plans (Obeidat et al., 2017; Safdari Ranjbar et al., 2014), commitment to strategy implementation (Kaplan & Norton, 2000; Safdari Ranjbar et al., 2014), agreement of organization members on the strategy (Moshabaki & Akbari Emami, 2021), employee involvement (Al-Asmakh, 2016), top management support and commitment (Safdari Ranjbar et al., 2014), alignment between strategy and structure, culture, and employees (Hosseini et al., 2014), availability of resources (Hitt et al., 2007; Mukherjee, 2017; Obeidat et al., 2017), and effective communication channels within the organization (Chirwa & Boikanyo, 2021; Mukherjee, 2017; Obeidat et al., 2017; Safdari Ranjbar et al., 2014) as the factors affecting the successful execution of strategy. In addition to the aforementioned, skilled CEOs may play an even more critical role in strategy success implementation. Companies need CEOs who can craft the right strategy and have the skills to implement it. Speculand (2014) reported that CEOs are responsible for about 90% of strategy failures because they focus on how to craft rather than how to implement the strategy. Moreover, the literature demonstrated that one of the main reasons for strategy execution failure is the lack of ability of the CEOs to utilize their different skills in the strategy implementation process (Mapetere et al., 2012). However, CEOs' skills alone do not guarantee the successful implementation of the strategy. Employee alignment is another issue that can impact the success of the strategy execution. In this regard, research indicates that 95% of employees do not

realize the strategy of the company; as well, they do not understand how their jobs and roles may contribute to the success of the strategy execution process (Kaplan & Norton, 2008). CEOs recognize they cannot alone fulfil their company's mission, vision, strategies, and policies; therefore, CEOs strive to raise employees' awareness of the significant role of their jobs and roles in implementing the company strategy (Davies & Davies, 2010). Applying CEOs' skills, like technical, human, and conceptual skills, increase employees' knowledge about the company strategy, consequently improving their contribution to the success of the implementation process (Mapetere et al., 2012).

While many studies have explored the factors affecting the success of strategy implementation, few, have specifically examined the effect of CEOs' skills and employee alignment on the success of the strategy execution. Despite all this research and focus on the success of the strategy execution, there does still appear to be a gap in the existing body of literature and which may lead to potential deficits in understanding the role of other factors such as CEOs' skills and employee alignment in the success of the strategy execution. More specifically, there is limited research regarding the relationship and variable interplay between CEOs' skills and the success of the strategy execution. Therefore, this study will investigate the potential mediating effect that employee alignment may have on the relationship between CEOs' skills and the success of the strategy execution. This study will contribute to the research literature by adding to the limited body of research supporting the role of CEOs' skills and employee alignment in the success of the strategy execution; and by clarifying if employee alignment will mediate the relationship between CEOs' skills and the success of the strategy execution.

The paper is structured as follows: Section 2 provides an overview of the relevant literature. The methodology and data sources used are described in Section 3. Section 4 presents an analysis of the research results, which are further discussed in Section 5. Finally, Section 6 concludes the paper and offers recommendations based on the findings.

## 2. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

### 2.1. CEOs skills

The CEO is a person who works as the senior corporate officer, executive, or administrator, who supervises the company and is in charge of its overall processes (Tapping & Cave, 2008). CEO performs different roles within the company, the most important of them informational, interpersonal, decisional, operational, strategic, and diplomacy (Glick, 2011).

In today's global and competitive business environment, the success of companies depends heavily on CEOs with high skills. Prior studies proved that skilled CEOs play a crucial role in achieving company goals, increasing profit and productivity (Lovett & Jones, 2008), and motivating employees to exert extra effort to achieve the company's strategic vision and goals (Butler, 2021).

Literature has identified two types of CEOs' skills, namely *soft skills*, and *hard skills*, and highlighted the role of those skills in achieving success for both individuals and organizations (Deepa & Seth, 2013).

CEOs' hard skills are related to technical capabilities and job-related knowledge (Deepa & Seth, 2013). More specifically, hard skills reflect the CEO's ability to utilize his specialized knowledge related to the company's core business and management processes when he carries out his duties (Kumara & Sahasranam, 2009). Hard skills include technology-related skills, analysis skills related to quantitative and qualitative data, cognitive skills, interpretation of data and reports, and solving workplace problems using job-related knowledge (Daff et al., 2012; Quieng et al., 2015). CEOs can obtain hard skills from different sources such as formal education programs, job-based and specialized training, and experience or accumulated job knowledge (Daff et al., 2012). However, hard skills alone are not adequate to encourage employees to carry out their jobs and roles and exert extra effort to achieve the company's strategic goals. Consequently, motivating employees requires CEOs to apply soft skills (Smit et al., 2021).

In recent years, the importance of CEOs' soft skills has increased due to the success of the companies depends heavily on that (Pepper & Wildy, 2008). There is no agreed definition regarding soft skills, whereas the literature demonstrates different definitions of the term soft skills, but despite these differences, they share some similarities. For instance, there is a consensus among prior studies that soft skills are traits, attitudes, and behaviours that can impact a person's associations and job performance consequences (Dabke, 2015; James & James, 2004; Robles, 2012). However, scholars have identified two basic types of soft skills, namely, *interpersonal* and *social skills* (Kumara & Sahasranam, 2009). Interpersonal skills consist of several skills like communicating with others, motivating individuals, influencing followers and individuals' behaviour, interacting with others, and the ability to establish sustained positive relationships with others (Katz, 2003). While social skills consist of a set of abilities linked to social intelligence, such as the CEO's ability to show himself in social interaction, and the capability to realize social situations and understand the different social roles and norms (Riggio & Reichard, 2008).

## 2.2. Successful execution of strategy

Strategy execution is the processes and procedures followed by the company to implement the strategic plan and put it into action (Kaplan & Norton, 2008). Moreover, strategy execution is the company's ability to convert the crafted strategy into reality to achieve its vision, mission, and strategic goals (DiFilippo, 2016; Morgan et al., 2008).

In recent years, the topic of strategy execution has acquired the attention of scholars and practitioners. Many scholars argue that almost all companies formulate their strategies, but few execute them (Atkinson, 2006; Harrington & Voehl, 2012; Rajasekar, 2014). Success execution of strategy appears when gaps resulting from comparing the strategic planning objectives and

the actual results of the organization's activities after the implementation process do not exist (Sterling, 2003). More specifically, the successful execution of strategy is the achievement of the company's mission, vision, and strategic goals as stated in the strategic plan (DiFilippo, 2016).

Prior studies confirm that companies that execute their strategy successfully obtain numerous benefits such as sustaining competitive advantage, achieving fit with the external environment, increasing profit, and ultimately achieving organizational success (Hitt et al., 2007; Kaplan & Norton, 2008; Thompson et al., 2011; Wheelen & Hunger, 2012). Consequently, companies that hope to gain those benefits to ensure the success of the strategy implementation needs to:

- establish clear communication channels (Chirwa & Boikanyo, 2021);
- ensure the availability of resources required to implement (Mukherjee, 2017);
- make a consensus on the strategy (Moshabaki & Akbari Emami, 2021);
- exert the evaluation and control process (Obeidat et al., 2017);
- ensure top management support and commitment (Kaplan & Norton, 2000);
- involve employees in the implementation process (Al-Asmakh, 2016);
- formulate operational plans (Safdari Ranjbar et al., 2014);
- achieve alignment between strategy, employees, culture, and structure (Hosseini et al., 2014).

## 2.3. Employee alignment

Previous studies have revealed two types of alignment used by companies, *external* and *internal* (Henderson & Venkatraman, 1991; Ouakouak & Ouedraogo, 2013). External alignment concentrates on the mechanism that CEOs and top management teams use to align the company with its business environment, as expressed in its strategic plan (Henderson & Venkatraman, 1991). Internal alignment describes how organizational structure, which includes management operations and procedures, and company design, can support the company's strategic plan (Henderson & Venkatraman, 1991). The current study focus is employee alignment, which is considered a part of internal alignment. Employee alignment describes the employees' awareness of the company goals and the realization of how their job roles and duties contribute to attaining the company goals (Meier, 2021). Gagnon and Michael (2003) indicated that employee alignment occurs when employees know how the company's strategic objectives and mission are related to their job roles and duties. However, despite the various definitions of employee alignment, they are similar in content. In other words, scholars agree that the term 'employee alignment' is related to the company's power to convey strategic priorities that aid the staff in understanding how their job tasks, responsibilities, and roles are connected directly to the success of achieving strategic goals and priorities (Albrecht et al., 2018; Biggs et al., 2014). Many scholars argue that when there is consistency between the company strategy, structure, and employees, the company will accomplish its objectives (Alagaraja & Shuck, 2015; Biggs et al., 2014).

The importance of employee alignment has increased in the last decades because alignment forms an internal environment that promotes the accomplishment of the company's strategic objectives by eliminating internal obstacles to collaboration and implementation that would otherwise decrease the competence and efficacy of action toward those objectives (Semler, 1997). Despite the importance of employee alignment, many reports have shown that roughly two-thirds of companies' staff do not comprehend how company goals are coupled with their jobs (CEB Corporate Leadership Council, 2015). Thus, to handle this matter, CEOs should enable employees to understand company goals and explain the role of their efforts in achieving the company goals (Stringer, 2007).

## 2.4. Hypotheses development

Based on the available literature, it is evident that CEOs' failure to execute the company's strategic plan is a significant concern for businesses, with 70% of layoffs attributed to this issue (Charan & Colvin, 1999). Studies have indicated that this failure is often due to the CEO's inability to effectively communicate the strategy to organizational members and deliver the roadmap for strategy execution (Mapetere et al., 2012). Additionally, it has been suggested that CEOs with strong technical and personal skills are essential to achieving a company's goals, including strategic objectives, mission, and vision (Lovett & Jones, 2008). CEOs with technical skills can address any challenges that arise during the implementation process, remove barriers, and overcome obstacles by utilizing their job-related knowledge, monitoring the progress of strategy implementation, and analyzing key performance indicators (Daff et al., 2012; Deepa & Seth, 2013; Kumara & Sahasranam, 2009). Furthermore, CEOs with interpersonal skills are crucial in motivating employees to exert extra effort to achieve strategic goals (Dabke, 2015; Katz, 2003). Recent empirical studies have confirmed that CEOs' skills positively correlate with successful strategy implementation (Mwanje, 2017; Vigfusson et al., 2023). Therefore, the first hypothesis is:

*H1: CEOs' skills have a positive and significant effect on successful strategy execution.*

Employee alignment depends heavily on CEOs' skills. CEOs with adequate technical knowledge understand the company structure and management processes, and they can identify how employees' job responsibilities and roles are related to the execution of strategy (Daff et al., 2012; Quieng et al., 2015). Moreover, skilled CEOs are responsible for ensuring each employee is in the right place, and that each job within the company supports the strategy implementation (Meier, 2021). Furthermore, CEOs with interpersonal skills can communicate to employees the strategic goals and priorities clearly, and explain to them how their job responsibilities relate to strategy execution (Stringer, 2007). Skilled CEOs also clarify decision rights and ensure that information flows to the right people (Neilson et al., 2008). In addition, applying CEOs' skills can build a sustainable relationship with employees based on trust and a shared understanding (Zermeño Casas et al., 2014). Therefore, the second hypothesis is:

*H2: CEOs' skills have a positive and significant effect on employee alignment.*

Successful execution demands that CEOs exert their authority to align employees around strategy. This alignment requires establishing a clear relationship between the strategic goals and the processes, function units, work teams, and staff (Alagaraja & Chuck, 2015). More specifically, the alignment process involves ensuring that employees understand the linkage between their job responsibilities and the company's strategic plan and how their efforts contribute to the execution of company strategy (Meier, 2021). Many scholars confirm that achieving alignment between employees and strategy usually increases success in implementing the strategic plan (Alagaraja & Shuck, 2015; Biggs et al., 2014). More precisely, employees' understanding of the company's strategic goals and plans, and the linkage between the strategy and their jobs, will make them exert extreme efforts to achieve the company strategy and goals (Porter & Nohria, 2010). However, the research found no studies that examined the relationship between employee alignment and the success of strategy execution, except the study of Al-Asmakh (2016), which found that employee alignment impacts strategy execution and this relationship improves financial performance. Thus, the third hypothesis is:

*H3: Employee alignment has a positive and significant effect on the success of strategy execution.*

The literature demonstrates that CEOs with technical and soft skills help companies achieve their goals, including strategic objectives (Lovett & Jones, 2008). Although CEOs' skills play a significant role in achieving the success of strategy execution and the company as a whole (Pepper & Wildy, 2008), CEOs alone cannot accomplish the company's mission, vision, and strategic goals; consequently, they need support from the company's employees (Davies & Davies, 2010). CEOs can obtain employees' help by applying their skills and making employees aligned with strategy. For instance, skilled CEOs build a strong relationship with employees; this relationship includes delegating tasks to employees during the strategy implementation process, which makes employees realize that CEOs trust their capabilities and consequently motivates them to exert extraordinary efforts in strategy implementation (Zermeño Casas et al., 2014). Moreover, employee alignment leads to removing all obstacles within a company and creating an internal working environment that facilitates the accomplishment of strategic objectives (Semler, 1997). Therefore, the fourth hypothesis is:

*H4: Employee alignment has a mediating effect on the relationship between CEOs' skills and successful strategy execution.*

## 3. RESEARCH METHODOLOGY

### 3.1. Method, design, and procedures

The current study utilized quantitative and descriptive research methods with a survey research design. One hundred and thirty-nine CEOs of the service companies operating in Jordan completed the web-based survey questionnaire. The current study was web-based to ensure the participation of CEOs. CEOs have received an email that explained the study's nature and the link to the questionnaire on the website. The structural equation modeling (SEM) method was employed to test the study hypotheses.

One alternative method that could be suitable for conducting this study is the qualitative research approach, which involves the collection and analysis of non-numerical data. Qualitative methods, such as in-depth interviews and focus groups, could be used to gather rich and detailed information on the perceptions and experiences of CEOs, employees, and other stakeholders related to the study variables. This method could provide valuable insights into the complex and multifaceted nature of the relationship between CEO skills, employee alignment, and successful strategy execution.

### 3.2. Method, design, and procedures

The current study target population is composed of the CEOs of one hundred thirty-nine service companies listed on the Amman Stock Exchange. The study followed a comprehensive survey technique since all the units of the study population were studied. The average age of CEOs that completed the questionnaire was 48 years (41%) and 12 years of experience (45%). Regarding education, 43% of CEOs hold a master's degree. Males constituted 58% of the study sample.

### 3.3. Measures

The current study utilized three survey instruments related to the study variables with a survey about CEOs' demographic information (please see Appendix). The answers on items related to the study variables were categorized based on five points Likert Scale.

*CEOs skills.* The CEO's skills scale contains 11 items. The items have been formulated based on the studies of Deepa and Seth (2013), Glick (2011), and Kumara and Sahasranam (2009). Sample items are "I am the person who solves the company problems" and "I lead and motivate my subordinates".

*Employee alignment.* The employee alignment scale contains 5 items. The items have been formulated based on the studies of Gagnon and Michael (2003), Glick (2011), and Henderson

and Venkatraman (1991). Sample items are "I make sure the right people are hired for the right position" and "I make sure all efforts are coordinated towards the goals and strategic plan of the company".

*Successful strategy execution.* The successful strategy execution scale contains 9 items. The items have been formulated based on the work of DiFilippo (2016), Kaplan and Norton (2008), and Morgan et al. (2008). Sample items are "The company achieved its strategic objectives over the last three years" and "There are no gaps between the actual and planned strategic performance".

*Demographic information.* The survey contained questions regarding CEOs' age, gender, education, and experience.

## 4. RESEARCH RESULTS

### 4.1. Descriptive statistic

To analyze the study data, the researcher applied the SEM technique by SmartPLS software version 3.3.7. Accordingly, the first step was to ensure the reliability and validity of the measurement model. Regarding measurement reliability, the researcher utilized the values of composite reliability and Cronbach's alpha to evaluate the internal consistency of the study measurements. Concerning the measurement validity, the researcher used factor loads and average variance extracted (AVE) values to estimate the convergent validity and the Fornell-Larcker criterion to assess the discriminant validity of the study measurements. Table 1 shows the results of measurement reliability and convergent validity. The results indicated that the values of composite reliability and Cronbach's alpha are higher than the recommended value of 0.70, which means the measure is reliable (Hair et al., 2014). In addition, the results indicated that the values of the load factor and AVE are higher than the specified values of 0.70 and 0.50, respectively, which means the measure has convergent validity (Hair et al., 2014).

**Table 1.** Results of measurement reliability and convergent validity

Variables	Item	Load factor	AVE	Composite reliability	rho-A	Cronbach's $\alpha$
CEOs skills	Q1	0.760	0.611	0.945	0.946	0.937
	Q2	0.827				
	Q3	0.738				
	Q4	0.782				
	Q5	0.745				
	Q6	0.756				
	Q7	0.811				
	Q8	0.855				
	Q9	0.812				
	Q10	0.745				
	Q11	0.754				
Employee alignment	Q12	0.855	0.809	0.955	0.942	0.941
	Q13	0.894				
	Q14	0.936				
	Q15	0.897				
	Q16	0.913				
Successful strategy execution	Q17	0.703	0.632	0.939	0.932	0.927
	Q18	0.715				
	Q19	0.760				
	Q20	0.791				
	Q21	0.799				
	Q22	0.893				
	Q23	0.863				
	Q24	0.787				
	Q25	0.827				

Regarding discriminant validity, the results of Table 2 demonstrate that the correlation value of each latent variable is higher than other values in the same row, which means the measurements have discriminant validity based on the Fornell-Larcker criterion (Fornell & Larcker, 1981).

**Table 2.** Mean, standard deviation, and correlation of variables

Variables	Mean	St. dev.	(1)	(2)	(3)
(1) CEOs skills	3.57	0.690	0.781		
(2) Employee alignment	3.48	0.711	0.730	0.899	
(3) Successful strategy execution	3.61	0.741	0.785	0.789	0.795

Before moving to the assessment of the structural model, which is the next step in structural equation modelling, the researcher examined the variance inflation factors to address the multicollinearity issue. Consequently, the results indicated that the variance inflation factor (VIF) values are 1 for CEOs' skills and employee alignment, 2.143 for CEOs' skills and successful strategy execution, and 2.143 for employee alignment and successful strategy execution, and all these values are less than 3, which means there is no Multicollinearity problem (Hair et al., 2014).

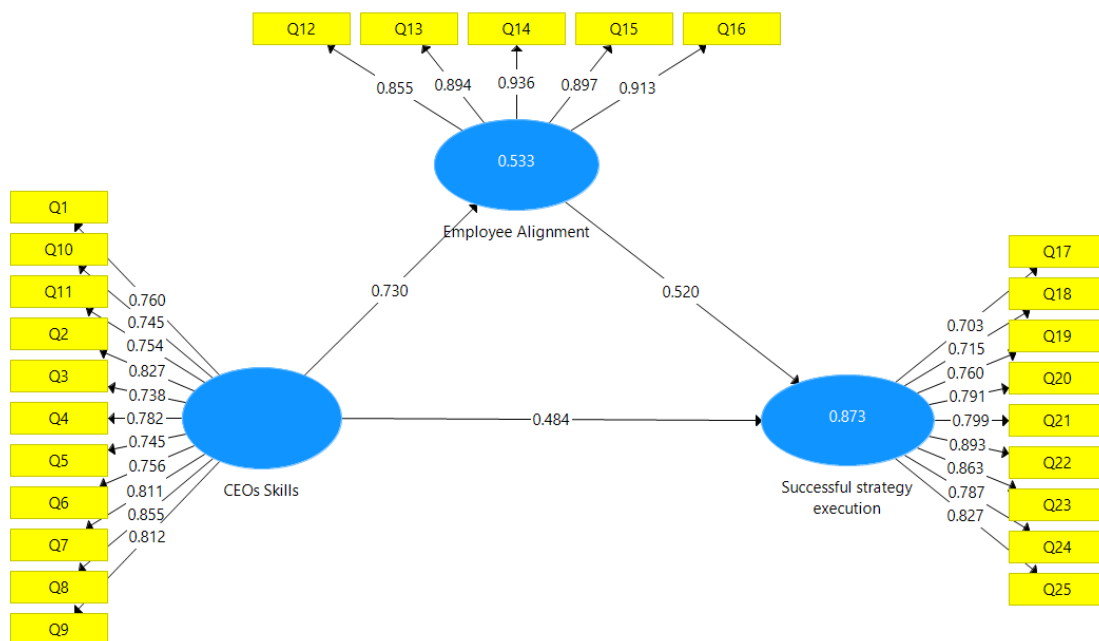
**4.2. Hypotheses testing**

The second step in structural equation modelling includes the structural model assessment by estimating the relationships between the variables and evaluating the model prediction quality. Concerning the prediction quality, the researcher calculated the values of R<sup>2</sup>, f<sup>2</sup>, and Q<sup>2</sup>. Accordingly, the results of R<sup>2</sup> are (0.533) for employee alignment and (0.837) for successful strategy execution. These values are considered moderate for employee

alignment and high for successful strategy execution (Hair et al., 2014). In addition, the results of the effect size f<sup>2</sup> indicated that CEOs' skills have a high effect size on employee alignment (1.143) and successful strategy execution (0.857), and employee alignment has a high effect size on successful strategy execution (0.922). Finally, the results of Q<sup>2</sup> are (0.420) for employee alignment and (0.542) for successful strategy execution, and all these values are higher than zero, which reflects a very good predictive relevance to the model latent variables (Hair et al., 2014).

As the quality of the model met the criteria, the researcher tested the study hypotheses by using Bootstrapping technique with 5000 subsamples. Figure 1 shows the results of the SEM model and the expected relationships among CEOs' skills, employee alignment, and successful strategy execution, with the mediating effect of employee alignment on the relationship between CEOs' skills and successful strategy execution. Table 3 presents the summary of the study hypotheses testing results. The results indicated that CEOs' skills have a significant and positive (t = 37.385, p = 0.000) effect on the success of strategy execution. Therefore, H1 is accepted. The results also demonstrated that CEOs' skills have a significant and positive (t = 14.298, p = 0.000) effect on employee alignment. Hence, H2 is accepted. In addition, the results revealed that the alignment of employees has a significant and positive (t = 7.800, p = 0.000) effect on the success of strategy execution. Thus, H3 is accepted. Finally, the results showed that the alignment of employees mediates the relationship between CEOs' skills and the success of strategy execution (t = 6.356, p = 0.000) (Preacher & Hayes, 2008), and the type of mediation is partial since the indirect and direct effects are positive (Hair et al., 2014). Therefore, H4 is accepted.

**Figure 1.** The structural model



**Table 3.** Summary of hypotheses testing results

Hypothesis	Total effect	SE	t-value	p-value	95% confidence intervals	Test result
CEOs skills → Successful strategy execution	0.864	0.023	37.385	0.000	(0.816–0.907)	Supported
CEOs skills → Employee alignment	0.730	0.051	14.298	0.000	(0.636–0.835)	Supported
Employee alignment → Successful strategy execution	0.520	0.067	7.800	0.000	(0.382–0.654)	Supported
CEOs skills → Employee alignment → Successful strategy execution	0.380	0.060	6.356	0.000	(0.272–0.511)	Supported

## 5. DISCUSSION

Upon testing the first hypothesis (*H1*) of the study, it was found that CEOs' skills have a positive impact on successful strategy execution. This finding is consistent with the results of previous studies by Mwanje (2017) and Vigfusson et al. (2023), which demonstrated a positive correlation between CEOs' and managerial skills and successful strategy implementation. These results provide further support for the importance of CEOs' technical and interpersonal skills in achieving organizational goals, including strategic objectives, mission, and vision. Moreover, this result is in line with the resource-based view of the firm, which states that the companies excel in performing their activities compared to competitors if they have unique resources. Accordingly, CEOs' skills are considered a valuable resource for the company enabling it to excel when implementing its strategy. On the other hand, when CEOs have technical knowledge of the company's core processes, this will facilitate the implementation of the strategic plan by solving problems related to work, monitoring the key performance indicators, and interpreting qualitative and quantitative data related to strategy implementation progress. Furthermore, interpersonal skills enable CEOs to communicate the strategic goals, priorities, and vision to the organization's members, explain how the strategy will implement, delegate the authority required for the implementation process, and motivate employees to exert extraordinary efforts. The findings of the study second hypothesis (*H2*) testing indicated that CEOs' skills have a positive impact on employee alignment. This result is consistent with the strategic role of CEOs. Accordingly, CEOs exercise their power and apply their skills to align the employees around the strategy by using their technical knowledge to determine how employees' job responsibilities relate to the strategy execution process (Daff et al., 2012; Porter & Nohria, 2010; Quieng et al., 2015). On the other side, the strategic role of CEOs entails applying soft skills to communicate the strategic goals and priorities to the employees and explaining how their job responsibilities connect to the strategy execution process (Stringer, 2007). The findings of the study third hypothesis (*H3*) testing indicated that employee alignment has a positive impact on successful strategy execution. This result is in line with Al-Asmakh's (2016) study results, which found that employee alignment related positively to strategy implementation. More specifically, this result is consistent with the proposition of alignment theory. Alignment theory supposes that when there is harmony between the strategy and employees, the companies will execute their strategies successfully (Alagaraja & Shuck, 2015;

Biggs et al., 2014) since employees understand the company's strategic plan and know the role of their jobs in executing the strategy. The findings of the study fourth hypothesis (*H4*) testing indicated that employee alignment partially mediates the relationship between CEOs' skills and successful strategy execution. This result is expected and supported by the literature. CEOs with technical job-related skills (Daff et al., 2012; Quieng et al., 2015) can determine the road map to execute the strategy and facilitate the implementation process by defining the strategic goals and priorities, obtaining feedback about the strategy's progress, and making corrections when required. Furthermore, soft skills (Dabke, 2015; Katz, 2003) enable CEOs to establish strong relationships with employees leading to increased commitment and trust. Soft skills also help CEOs to communicate with employees about the strategy. Ultimately, applying CEOs' skills leads to achieving alignment between employees and strategy. This alignment eliminates all barriers within the company, unifying employees' efforts to implement the strategic goals and establishing an internal work environment that supports the strategy implementation (Semler, 1997) and ultimately leads to the successful implementation of the strategy.

## 6. CONCLUSION

To stay competitive and maintain survival, companies should execute their strategies successfully. Researchers and practitioners have reported that strategy implementation failure rates have increased in the last decades. The failure in strategy execution is attributed to the CEOs of the companies because they lack the necessary skills for the execution process. Furthermore, researchers have indicated that the failure of strategy execution is attributed to the employees because they do not understand how their job responsibilities connect to the strategy, which hinders the success of the execution process. Therefore, the purpose of the current study was to examine the relationship between CEOs' skills and successful strategy execution and the mediating effect of employee alignment on this relationship. The findings of this study enriched the literature by providing empirical evidence about the positive impact of both CEOs' skills and employee alignment on successful strategy execution from service companies listed on the Amman Stock Exchange and operating in Jordan.

Based on the study findings, CEOs in the hypercompetitive environment need to apply both the technical skills of a job and the diverse soft skills to ensure the successful execution of the strategy. Moreover, CEOs need to earn the necessary skills for executing the strategy

successfully through training or formal education programs. Despite the importance of skills, these skills alone are not enough. CEOs should achieve alignment between employees and the strategy to ensure the success of execution. The alignment process requires CEOs to ensure that employees understand the link between their job responsibilities and the strategy execution through effective communication. Furthermore, CEOs must build strong relationships with the employees, trust their capabilities, delegate authority, and motivate them to exert extra effort to execute the strategy successfully. Finally, CEOs are responsible for ensuring that all employees are in the right place and each job within the company supports the success of strategy execution.

There are several limitations associated with the current study. Firstly, the participants were

limited to CEOs of service companies listed on the Amman Stock Exchange, thereby restricting the generalizability of the results to only service sector companies. Additionally, there is a possibility that CEOs may not have been objective in evaluating their skills and role in employee alignment and successful strategy execution, which could have affected the accuracy of the results. To address these limitations, future studies should aim to explore the factors affecting successful strategy implementation in a more diverse sample, such as manufacturing sector companies and small and medium-sized enterprises, which are often overlooked in the literature. By doing so, a more comprehensive understanding of the factors influencing successful strategy execution can be achieved.

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APPENDIX

Table A.1. Study instrument

Items	Strongly agree	Agree	Neutral	Strongly disagree	Disagree
<b>CEOs skills</b>					
1. I am the person who solves the company's problem.					
2. I lead and motivate my subordinates.					
3. I am communicating effectively with the company employees.					
4. I am building and maintaining relationships with the company employees.					
5. I understand and navigate the company.					
6. I am managing politics and influencing others.					
7. I interpret information precisely.					
8. I can negotiate to resolve conflict.					
9. I understand and use systems.					
10. I understand and use technology.					
11. I make sound decisions.					
<b>Employee alignment</b>					
1. I make sure all employees understand the company's strategic objectives.					
2. I make sure all employees understand the company's vision.					
3. I make sure the right people are hired for the right position.					
4. Employees understand the linkage between their jobs and the company's vision and strategic goals.					
5. I make sure all efforts are coordinated towards the goals and strategic plan of the company.					
<b>Successful strategy execution</b>					
1. The company achieved its strategic objectives over the last three years.					
2. There are no gaps between the actual and planned strategic performance.					
3. The company implemented the programs requested for strategy execution.					
4. Strategy execution policies have been prepared and implemented.					
5. Strategy execution procedures have been prepared and implemented.					
6. The company identifies corrective action when strategic actions are failing or could be improved.					
7. The company has competent staff to implement the strategic plan.					
8. The company is committed to providing financial resources to support the implementation of the strategic plan.					
9. The company developed a set of key performance indicators to monitor strategy implementation.					
<b>Please identify your</b>					
1. Age_____					
2. Gender_____					
3. Education_____					
4. Experience_____					