

Impact of Strategic Leadership on Organizational Wellbeing with Moderating Effect of External Factors: Evidence from Sri Lanka Police

S.B.D.C. Ratnayake¹, A.A.M.D. Amarasinghe²

1. Business School, Asia Pacific Institute of Information Technology (APIIT) Sri Lanka

2. Department of Accountancy & Finance, Faculty of Management Studies,
Sabaragamuwa University of Sri Lanka, Belihuloya

Abstract

This study examines the impact of strategic leadership on organizational well-being, with external factors acting as a moderating influence, using the Sri Lanka Police as a case study. Strategic leadership plays a crucial role in fostering organizational success, particularly in complex and dynamic environments. The research explores key dimensions of strategic leadership, including alignment, decision-making and interpretation, and their effects on financial, social and human resource well-being. Additionally, external factors such as political, regulatory, technological, social, and cultural changes, as well as global crises, were analyzed to determine their moderating effect on the relationship between leadership and well-being. The study employed a quantitative research methodology, utilizing structural equation modeling through AMOS software to analyze the relationships among variables. Factor analysis confirmed the validity of measurement items, leading to the refinement of the dataset. The findings indicate a significant positive relationship between strategic leadership and organizational well-being, particularly in terms of social and human resource well-being. However, financial well-being did not show a statistically significant relationship with strategic leadership. Among external factors, political instability was found to have a negative moderating effect, whereas technological and social changes enhanced the relationship between strategic leadership and organizational well-being. Based on these findings, the study recommends strengthening leadership development programs, implementing participatory leadership approaches, and establishing structured frameworks to address external changes. Policymakers and law enforcement agencies can utilize these insights to refine leadership models and enhance organizational resilience.

Keywords: Strategic Leadership, Organizational Well-being, Moderating influence, Structural Equation Modeling, Sri Lanka Police

Introduction

Since The Early 1990`S the majority of western nation`s police forces have undergone profound organizational and managerial changes. A major of the motivation behind these modifications was to make police organizations more “businesslike”. Starting in the mid 1980`s these managerialization processes have spread widely throughout the public sectors of most western nations [1]. The police forces in continental western European nations began to experience the managerialization process in the mid 1990`s. a large number of these management innovations were modelled after private market sectors. Their introduction to the public sector was justified by reference to real or imagined practices in the market sector. The introduction of quality management, development of new forms of leadership, the creation of management offices in police forces (which includes the emergence of new professional groups with a focus on economic and management) and the rising acceptance of ideas lie that people are “customers” of the police. The environment in which police operate is challenging and ever changing [2]. Accountability and service quality are becoming more and more important issues. If the police want to address these issues police must devise strategies that emphasize but not overstate the role in which they operate in society. Hence, rather than proactively resolving and preventing crime or attending to other social complex problems, the police

need to concentrate their vision towards a service delivery model that is based on community needs and wants.

Research Problem

People currently live in a dynamic and rapidly changing world. Every organization requires innovation, creativity and value creation for its customers to be sustainable. Hence everyone needs to face that reality. Due to the conspicuousness of this phenomenon many ideas about leadership and knowledge management are developed through different philosophies. When implementing the changes in the organization leadership is the most important factor [3]. It is commonly accepted that the dynamics of leadership have a significant impact on every decision made by the organization and it paves the way to organizational success. Availability of abundance literature on leadership emphasizes its importance and how much attention it should receive. Consequently, it is crucial and pertinent to continue literature about leadership and the relationship between leadership and strategy.

Police is one of the organizations that discharge duties to establish the criminal justice system [4]. In an increasingly, India plagued by corruption with a large local social structure, unequal national wealth distribution and prevailing poverty. In the view point of Sharma [5], policing urban areas is getting harder due to the rise in organized crime, the poor and unemployed, pressure on infrastructure and basic amenities, illegal settlements and the ruralization of the urban areas. However, Özer & Tınaztepe, [6] turned up Strategic leadership is becoming more important in small and medium enterprises as the demands on them have grown more complex as in any kind of organization. It is important to understand how strategic leaders most effectively improve company performance as their roles become more expand.

Research Objectives

1. To identify the impact of strategic leadership for the wellbeing of the Sri Lanka Police
2. To understand whether external support moderates the strategic leadership exercised by the Police on Crisis

Literature Review

Police is an executive civil force of a state to which is entrusted the duty of maintaining public order and enforcing regulations for the prevention and detection of crime [7]. Police in the 21st century, not only provide security service rather it delivers many human and social services. Especially, worldwide police organizations are in general representing the economy and enhanced economic performance through providing security [8].

Organizational well-being theory

Wellbeing is defined in the oxford dictionary as general health and happiness. Another definition of wellbeing is the capacity to reach one's own potential, manage day to day stress, perform well at work and contribute to the society in which one lives [9]. The research by Keyes [10] determined organizations must foster a positive outlook on entity if the entity want to achieve greater success. With an emphasize on businesses that are for profit it characterize a positive organization as one that consistently generates profit in an efficient and constructive manner. Positive organizations are distinguished from companies that only focus on making a profit and growing shareholder value by encouraging and maintaining high levels of employee well-being and provide leaders with legitimate authority. Keyes concluded in his research that the ability of managers to competently influence their employees is likely to be improved in for profit organizations that invest in leaders with legitimate authority.

Financial wellbeing

When an individual has enough money to live comfortably, they are referred to be in a state of financial wellbeing. Being financially healthy, happy and free from worries are the hallmarks of financial wellbeing. As per the study by Iramani & Lutfi [11], financial wellbeing measured by assessing current financial pressures, satisfaction with current financial situation, comfort over with current financial situation, anxiety to meet the needs of daily expenses and confidence in meeting emergency financial needs.

Social wellbeing

In the view point of Boreham [12], a person's wellbeing is influenced not only by the material resources that affect their capacity to lead a respectable life, but also their access to personal resources and services that enable them to engage in the kinds of relationships and activities that the majority of the members of a society find normal by the quality of their social networks. Work related skills and abilities are closely related to important components of social capacities. The argument is employment has historically been associated with greater wellbeing significant workplace changes over the past decades may have an effect on workers social wellbeing.

Human wellbeing

As outlined in the Moç [13], one of the most important factors in ensuring an organization's sustainability is taking its employees welfare and wellbeing into consideration. It is important to highlight here that wellbeing initiatives have a positive impact on business success, employee loyalty and retention. Hence it further showed employee well-being, high morale, productivity, motivation, high participation and fewer vacation days all contribute to the organization's positive culture which strengthens the positive culture. Job autonomy, advancement opportunities, involved communication are important aspect of the HR environment that influence how public sector employees think and act [14]. Hence manager need to understand how important the HR environment is to improving HR wellbeing. Leaders and managers should promote two-way communication that invites employee input on organizational issues. Employees attachment and satisfaction are increased by this participatory management style as employees feel that their opinions are valued.

Leadership

Over the past century there have been numerous definitions and widely different interpretations of leadership. In the field of organizational behaviour and human resources management there is a wealth of literature on leadership that has been developed from a variety of viewpoints, theories and philosophies. Xu & Wang [15] mentioned that no other position in the organization has drawn as much interest as the leader. As representatives in the organization preferred culture and values and as role models it is widely accepted that leaders particularly those at the top of the organization have a critical role [16]. Ali [17] defined leadership as the art of influencing and inspiring subordinates to perform their duties willingly, competently and enthusiastically for achievement of group objectives. However, integrating all aspects of leadership behavior, leadership could be defined as “developing ideas and a vision, upholding that values support them, influencing others to adapt those values into their own actions and making difficult decisions about human and other resources.

Further hierarchical taxonomy explains the types of leadership behaviors that impact an organizations teams or work unit performance [18]. There are four meta categories. The main goals of each meta category vary, but they are all involve determinants of performance. The main goal of task-oriented behavior is to complete tasks in an efficient and reliable manner. The main goal of relations-oriented behavior is to improve the caliber of relationships and human resources which is referred as “human capital”. The main goals of change-oriented behavior are to foster greater creativity, collective learning and adaptation to the environment. The main goals of external leadership behavior are to acquire necessary information and resources and to protect the interest of the team or organization.

Table 01: Hierarchical taxonomy of leadership behavior

Task oriented	Clarifying
	Planning
	Monitoring operations
	Problem solving
Relations oriented	Supporting
	Developing
	Recognizing
	Empowering
Change oriented	Advocate change
	Envisioning change

	Encouraging innovation
	Facilitating collective learning
External	Networking
	External Monitoring
	Representing

Strategic Leadership

Research of Aslan [19] cited strategy as the long term direction chosen by the organization in order to achieve goals. Thus, strategy is considered as the action plan to achieve the goal. Strategic leadership is the wisdom and vision capabilities of planning and implementing of this plan in an unstable, complex, uncertain strategic environment that experienced leaders should have. As the definition make clear an organization's role of strategic leadership is significant when dealing with environmental uncertainty. Strategic leaders should use innovation in their organizations because it is assumed that the organization will survive are the entities that can adapt to changes in the organization. A leader must make decisions in an uncertain environment and as globalization rises, the importance of strategic leadership in local and cross-cultural contexts.

The goal of strategic leader is to “walking the vision”. This means that in order to implement a transformation the leader needs to win over a wide range of stakeholders from both inside and outside the company [20]. Hence strategic leader clarifies the purpose explicit. The goal of the strategic leader is to get others involved in significantly altering the organization. This type of goal frequently requires a long-term dedication. Any change that affects the entire organization must consider the eco system of the organization as a whole. Therefore, a process of guidance that implements a new strategy can be conceptualized as strategic leadership.

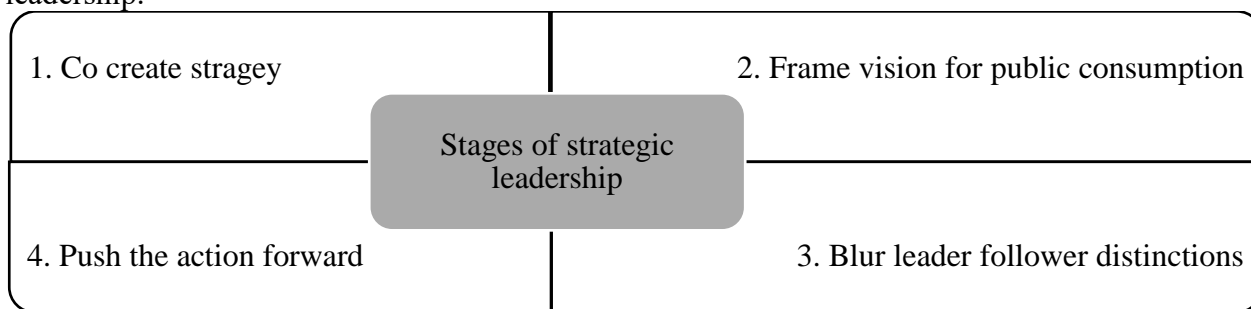


Figure 1: Stages of strategic leadership

Source - Nutt & Backoff [20]

Co create strategy

A revolutionary change might not be supported by the majority of stakeholders in public organizations. A strategic leader can select one of two paths to success. Leader can attempt to convince these parties and turn them into enthusiastic supporters. As an alternative strategic leader can influence them to adopt a neutral position to keep these stakeholders out of sensitive negotiations. As outlined by Nutt & Backoff [20] in order to create the future, strategic leaders look for areas of synergy between the ideas of exemplary followers. Core members of the strategic management groups are selected from among exemplary followers.

Frame vision for public consumption

In addition to providing a feeling of direction, the strategy is intended to calm fears [21]. The argument here is unlike the private sector it is insufficient to merely use eye catching imagery to suggest something that seems helpful. Next by altering the context and filters, strategic leaders explain the strategy. Changing the filters reveals parts of the plan that addresses the issues and demands of different stakeholder groups.

Blur leader follower distinctions

In public organizations the lines between leaders and followers are blurred more often. A bureaucracy is run by civil servants who remain on staff when leaders change, usually within two years of each time. As a consequence, strategic leaders in public organizations have less authority than those in the private sector.

Above all, in order to foster a sense of ownership the leader needs to enable exemplary followers as well as others who need to take action to start a change.

Further there are various ways that strategic leaders in public sector organizations can reduce hierarchical differences. Empowered followers can receive information from the leader that illustrates the organizational status and significant connections within the authority network.

Push the action forward

The strategic leader drives the action forward with capable followers eager to share the news. Hence the leader place themselves in the middle of the action. The strategic leader can draw attention and focus by keeping an eye on create attention and pay attention. Additionally, leader harnesses the constructive force of acquired optimism. Every danger is reframed to create an opportunity. The strategic leader must continue, frequently in the face of intentional deception and the disillusionment that results from such behavior. The leader assists others become more productive as a way of overcoming these obstacles.

Dimensions for strategic leadership

Commitment to evolving vision

In order to exercise effective strategic leadership management must maintain everyone's commitment and alignment with this evolving vision [22]. Thus, the change needs to be viewed as a process rather than a singular occurrence. Furthermore, it showed that effective strategic leadership is a dynamic process that involves keeping the organization's element coherent, communicating with every member on a regular basis and making constant efforts to keep members committed to the vision. In a view point of Davies & Davies [23], it is possible for strategic leader to be strategically oriented.¹ The capacity to think ahead seeing the bigger picture, comprehend the organizational current context are all components of the strategic orientation.

Focus on social capital and human capital

Strategic leader is able to concentrate on the resources that are most likely to have an impact on assuring long term success. This view is cited Mahdi & Almsafir [24], that the most crucial firm resources are people that is relationship with partner firms and the ability to build outstanding teams known as human capital.

Anticipate the future

Leaders need to be aware of and engage with the periphery in order to identify obstacles to change. Schoemaker & Krupp [25], showed that divergent attention and actions across multiple domains are necessary to be able to mind a wide periphery. After all its impossible to predict when the next important signal will emerge from the fields of politics, economics, technology or from the within industry itself in the form of competitors or customers. Strategic leaders anticipate by collecting information from a wide network of experts and other sources both inside and outside of their function or industry. Further as per the study of Davies & Davies [23], posited that strategic leaders have a dissatisfaction with the present. Thus, strategic leaders are ardent supporters of change who are able to see the strategic leap that an organization wishes to take. During an uncertainty period the organizational culture might not be as progressive as they are but strategic leaders are able to accept that fact.

The ability to challenge

Strategic leaders recognize that stimulating dialogue requires feedback from a variety of stakeholders including colleagues, frontline employees, peers in other industries and even rivals [25]. This assists to foster innovative problem solving and strategic leader challenge by questioning traditional beliefs, customs and conventional knowledge.

The ability to interpret

Due to selective perception people's expectations of what they will see greatly influence how they interpret signals. People often distort reality to fit their mental models when something does not match rather than questioning their underlying assumptions. Hence strategic leaders interpret by using variety of lenses to make connections either by themselves or with others prior to drawing conclusions [25]. Also, they are

¹ Strategic orientation is the capacity to connect long range visions to day-to-day tasks.

searching for more information to complete the picture. Davies & Davies [23], cited that strategic leadership occurs in an environment embedded in ambiguity, complexity and informational overloaded. Therefore, it is important for strategic leader to recognize new information, analyze it, apply it to new outcomes, leaders need ability to interpret.

The ability to decide

When faced with complexed decisions some leaders start to hesitate and slow down due to uncertainty by contradicting information. Hence as pointed out by Schoemaker & Krupp [25], leaders leap to the conclusion that a recommendation for a decision is correct even flawless. Decision cycles may thus proceed excessively slowly or quickly. Strategic leaders promote better decision making by demonstrating bravery in establishing a clear strategic direction and having the guts to make difficult choices when things are unclear. It has been demonstrated by Davies & Davies [23], that strategic leaders have leadership wisdom in the decision making. Thus practical skills are necessary to bring the ideas to life and persuade others of their worth.

The ability to align

According to a study by Beer & Eisenstat [26], the most deadliest strategy is lack of team alignment. On the other hand a study by Yukl & Lepsinger [27], on why organizations find it difficult to implement strategies 47% of leaders believed they were not properly involved in decisions that affected them. Strategic leads align well by recognizing the needs of important stakeholders and being able to create connections between disparate interests [25]. In another major study [28] found that promoting commitment via shared valued is a crucial component of the alignment. It would appear that the leaders own belief and ideas are crucial to this process and part of the leadership skill is actually making it happen for others. Therefore, leaders must be able to foster effective communication as well as a deep understanding of their own values. In contrast to Jimenez et al. [28], Davies & Davies [23], argues that theory of strategic opportunism leaders take advantage of important opportunities by being proactive and responsive into new information. The argument is if a leader has cognitive flexibility coupled with change- accepting mindset they can adopt and steer the organization toward new strategic directions.

The ability to learn

De Geus [29], conducted research on what businesses need to do in order to survive for 200 years or more and concluded that the only sustainable competitive advantage may the ability to learn faster than your competitors. Strategic leaders stimulate learning by promoting experimentation and “failing fast” as a means of learning and innovation [25]. Strategic leaders have the ability to develop strategic capabilities. The research carried out by Leseketeti & Waithaka [30], stated that targeting the education sector stated that in the majority of western economies increasing educational standards through annual test scores is the main goal of central government initiatives. However, this strategy’s drawback is that it concentrates efforts on achieving immediate goals. Hence teachers’ specific skills may therefore be improved by learning how to use the newest literacy pack from the government, but for the organization to be sustainable deeper strategic capabilities must be developed.

Development of a strategic leadership

As pointed out by Hitt [22], an organization’s educational initiatives are one of the ways to developing human capital. Hence training and development initiatives help employees communicate with one another by creating a shared language, professional network and constructing a common vision of the ideal organizational identity. Consequently, this will influence flexibility by aiding in the development of vital skills required to successfully respond to competitive challenges and foster cohesion by helping to instill a shared set of core values.

Barriers to organizational change

Political barriers

Organizational power structures are the source of political barriers [31]. They can take many different forms such as refusal to share information, conflicts over resources, minor interpersonal agreements and dispute between departments.

Technological changes

As per the research paper published by Orji [32], defined the advanced technology as the access to cutting edge technology including green production, waste management, renewable energy technologies and recycling technologies. For Chinese metal manufacturing industry absence of proper waste management system identified as a key barrier.

Regulatory barriers

The findings of Orji [32], stated that effective legislation is lacking to guarantee the enforcement of government laws on sustainability. Subsequently, Burden of regulation is affected the senior managers' performance in an unhealthy manner. Hence this research study aimed to identify the factors that promote sustainable performance in the Chinese metal manufacturing industry.

Life style changes

For everyone involved in the care and wellbeing of those with intellectual disabilities, the idea that health is the foundation that allows individuals to reach their full potential has significant implications [33]. Hence the findings of the research shown that the organization culture did not value the promotion of healthy life styles for individuals with intellectual disabilities. Addressing administrative duties, daily schedules and behavioral issues within the context of organizational culture and staff members' role also considered to be greater value.

Globalization

Businesses that compete in the global market place must meet a plethora of new requirements for their personal and organizational structure, frequently forcing them in multiple directions at once. Companies are embracing global integration and coordination in order to survive and thrive in the new global competition, but they also need to prioritize local flexibility and speed [34]. Based on the discussion of this study three broad problem areas can be used to describe the difficulties that human resources will face as the department aspires to lead globalization. First, fostering global mindset within the HR department which includes a thorough understanding of the new global competitive environment. Second, aligning core HR processes with the new requirements of competing globally while responding to local issues and requirements. Third, improving the HR functions global competencies and capabilities so that it can function as a borderless business partner and quickly take advantage of business opportunities across the globe.

Pandemic situations

On the paper published by Cogan et al. [35], cited that, in 607 responses to an online survey social workers outlined some of the difficulties in carrying out their ethical duties during the pandemic such as deciding how to divide up limited resources and preserving autonomy, privacy and dignity in distant relationships. Peer support, workplace support, visible management and leadership, team support, safe working environment, communication are the factors considered in this research.

Methodology

Research methodology is the blue print of conducting the research where it deals with overall data collection process. Further, research methodology focuses how researcher will be collecting data, approach, philosophy, following what method, strategy, etc. Saunders et al. [36] showed that there are different layers of research methodology which explaining each element for the researcher to make the decisions based on the research aims and objectives.

Conceptualization

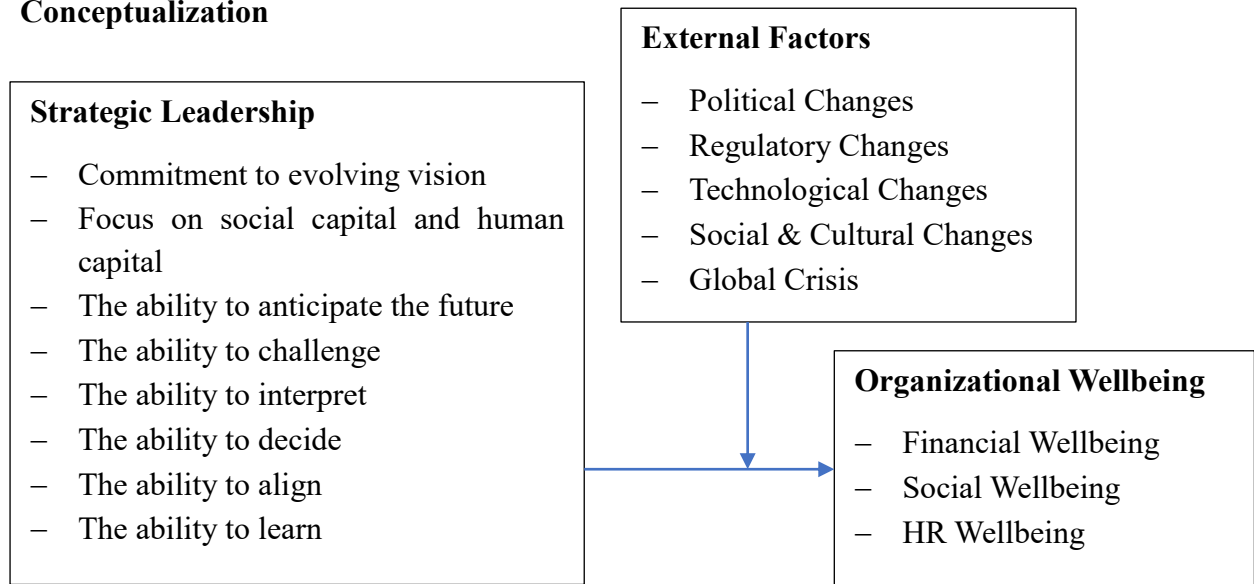


Figure 02: Conceptual framework

Source - Author (2024)

Table 02: Operationalization

Variable	Dimensions	Reference	Measurement scale
Commitment to evolving vision	Regular communication	Hitt et al. [22]	Five-point Likert scale
	Commitment to vision		
	Changes in the vision and its integration		
Focus on social capital and human capital	Development of strong interpersonal relationships	Mahdi & Almsafir [24]	Five point Likert scale
	Investment in employee training and development		
	Leaders recognize and reward collaborative efforts		
Anticipate the future	Strong ability to predict future trends	Schoemaker & Krupp [25]	Five point Likert scale
	Proactive in addressing potential future challenges.		
	Seeing market uncertainty as an opportunity		
	Strategic plans in place to handle foreseeable future scenarios		
The ability to challenge	Encourage questioning the status quo	Schoemaker & Krupp [25]	Five point Likert scale
	Constructive criticism		
	Leadership challenges to performance expectations.		
The ability to interpret	Effectively interpret complex data	Schoemaker & Krupp [25]	Five point Likert scale
	Leadership's interpretation of key organizational metrics		
	Implications of external		

	changes		
The ability to decide	Effective in decision-making processes	Schoemaker & Krupp [25]	Five point Likert scale
	Decisive even under uncertain circumstances		
	Decisions are consistently in the best interest of the organization		
The ability to align	All departments are aligned with the overall organizational goals	Schoemaker & Krupp [25]	Five point Likert scale
	Strong sense of unity and alignment towards common objectives		
	Successfully align individual goals with the organization's vision		
The ability to learn	Leadership promotes a culture of continuous learning	Schoemaker & Krupp [25]	Five point Likert scale
	Mistakes are viewed as learning opportunities		
	Actively seek out new knowledge and skills.		
Political Changes	Political changes and impact to the operations	Nolan [31]	Five point Likert scale
	Adapting at navigating political changes.		
	Organization adapts to political shifts		
Regulatory Changes	Influence on our organizational practices.	Orji [32]	Five point Likert scale
	Compliance with new regulations promptly.		
	Adequate training on new regulatory requirements.		
Technological Changes	Technological advancements are embraced	Orji [32]	Five point Likert scale
	Invests in the latest technology to enhance performance		
	Training to keep up with technological changes.		
Social & Cultural Changes	Social and cultural changes consideration in our organizational strategies.	O'Leary et al. [33]	Five point Likert scale
	Responsive to changes in societal values and norms.		
	Promotes cultural diversity and inclusion.		
Global Crisis	Resilient in times of global crises	Cogan et al. [35]	Five point Likert scale
	Contingency plans for global emergencies.		

	Communication during global crises		
Financial Wellbeing	Financial stability	Iramani & Lutfi [11]	Five point Likert scale
	Financial strategies		
	Transparent communication and financial health		
Social Wellbeing	Promotes positive social interactions among employees	Boreham et al. [12]	Five point Likert scale
	Organization supports work-life balance		
	Employee satisfaction		
HR Wellbeing	HR policies and employee well-being.	Hameed et al. [14]	Five point Likert scale
	Offers adequate resources for personal growth		
	Strong emphasis on mental health and wellness		

Research Philosophy

Research philosophy focuses the hypothesis of the research, its knowledge and nature. It is the foundation of the research methodology. Generally, research philosophy consists with three types such as positivism, pragmatism and interpretivism. For this study factors affecting the strategic leadership in the Sri Lanka Police, the positivism research philosophy has been chosen. Thus, positivism research philosophy depends on quantifiable observations, meaning objective nature data collection. Based on the research carried out Saunders et al. [36] found research approach allows the researcher to decide on which direction to go and what kind of research results to obtain based on the domain area of the problem statement. There are two approaches deductive and inductive reasoning. For this study factors affecting the strategic leadership. in the Sri Lanka Police, the deductive reasoning approach has been selected. In the view point of Zalaghi & Khazaei [37] this research approach explores an area of study which has previous theories and developing the hypotheses based on that theory, then designing a research strategy. Also here researcher is identifying a narrow gap for further exploration and accurate outcome generation. As per the research onion designed by Saunders et al. [36] showed case study, ethnography, survey, experiment are some of the strategies could be used by the researcher to collect the data. In this research study, researchers are willing to understand the strategic leadership in the Sri Lanka Police and therefore these factors require the collection of data from the direct participants to know their perception. Finally, a survey strategy has been chosen for this study, where certain questionnaire based on the research area aims and objectives are developed and distributed to police senior officers for collecting their responses. Research onion further stated that mono method, mixed method, multi method are possible choices for conducting a research study. Hence interviews, observations, focus groups are the qualitative data collection methods [38]. On the other hand, questionnaires and surveys are the research techniques using in the quantitative data collection methods. Moreover, for this study quantitative research approach was chosen since quantitative research approaches can make presumptions regarding potential outcomes.

Research Design

Data Collection

The study engaged both primary and secondary data sources. The secondary data mainly consists of website of Sri Lanka police and the research papers which helped identify the empirical issues in the police. Additionally, international and local journals and proceedings of the conferences were helpful in formulating the research problem, reviewing extant literature and developing the structured questionnaire. The police is a highly important organization which is operated on defense sector. Therefore, considering the scope of the

Sri Lanka police, the research focused on senior Gazette officers in Sri Lanka Police. This study focused only on 200 numbers of Senior gazette officers including ASPs, SPs, SSPs, DIGs, Senior DIGs and IGPs.

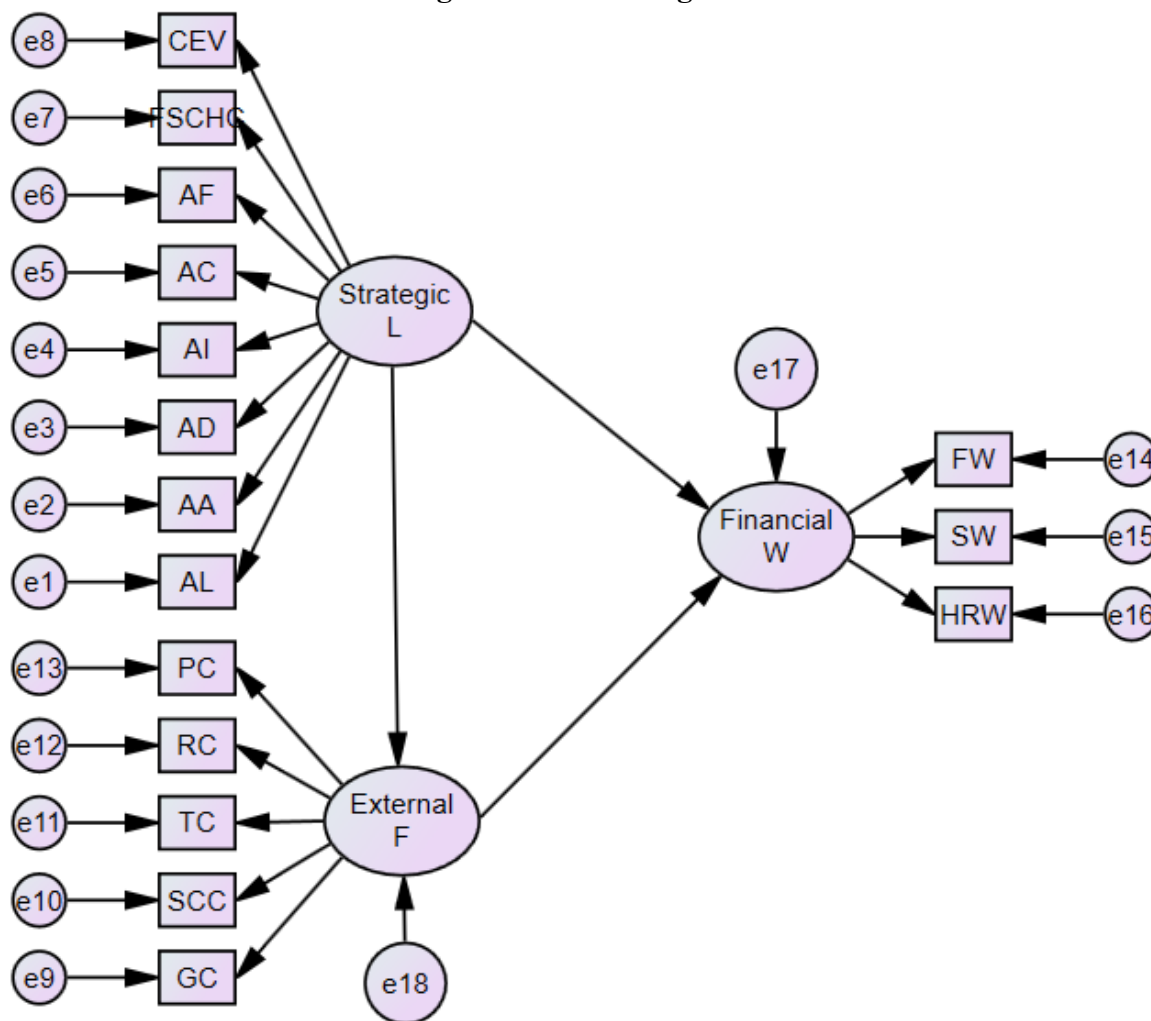
Data Analysis method

The statistical studies were performed using structural equation modelling using AMOS. Partial Least Squares Structural Equation Modelling has been extensively used in the social sciences to analyze quantitative data. Kajtazi et al. [39] mentioned partial least squares has been used mainly in the field of sociology, marketing and it is more efficient, flexible for testing the relationship between variables. Parallel to above aspiration Faraj [40] provided that PLS-SEM allows analyzing measurement models and structural models with multi-item constructs which consist of direct, indirect and interaction effects.

Data Analysis

A factor analysis was conducted to assess the validity of the measurement items and ensure that each item appropriately loaded onto its corresponding variable. Eight variables were used to measure strategic leadership, five external factors were considered as moderators, and three indicators were utilized to assess organizational well-being. Based on the factor loadings, one item was removed from each of the following variables: Focus on Social Capital and Human Capital (FSCHC), Ability to Anticipate the Future (AF), Technological Changes (TC), and Social & Cultural Changes (SCC). The remaining items demonstrated strong factor loadings, confirming the construct validity of the model. Factor loadings were then used as representative values for each variable in the structural equation modeling (SEM) process.

Figure 03: Path Diagram



Source: AMOS output

Table 03: Results of AMOS model

	Estimate	S.E.	C.R.	P	Label
ExternalFactors <--- StrategicLeadership	1.523	.402	3.784	***	

			Estimate	S.E.	C.R.	P	Label
FinancialWellbeing	<---	StrategicLeadership	.911	.508	1.794	.073	
FinancialWellbeing	<---	ExternalFactors	.162	.295	.548	.583	
AL	<---	StrategicLeadership	1.000				
AA	<---	StrategicLeadership	1.484	.393	3.778	***	
AD	<---	StrategicLeadership	1.343	.372	3.609	***	
AI	<---	StrategicLeadership	1.653	.419	3.947	***	
AC	<---	StrategicLeadership	1.799	.442	4.070	***	
AF	<---	StrategicLeadership	1.256	.360	3.491	***	
FSCHC	<---	StrategicLeadership	1.538	.401	3.836	***	
CEV	<---	StrategicLeadership	.426	.272	1.566	.117	
GC	<---	ExternalFactors	1.000				
SCC	<---	ExternalFactors	.650	.180	3.613	***	
TC	<---	ExternalFactors	1.160	.192	6.027	***	
RC	<---	ExternalFactors	.329	.175	1.875	.061	
PC	<---	ExternalFactors	-.551	.178	-3.090	.002	
FW	<---	FinancialWellbeing	1.000				
SW	<---	FinancialWellbeing	1.067	.283	3.768	***	
HRW	<---	FinancialWellbeing	1.624	.343	4.730	***	

Source: AMOS output

Structural equation modeling (SEM) was performed using AMOS to examine the relationships between strategic leadership, external factors, and organizational well-being. The analysis revealed a significant positive relationship between strategic leadership and external factors (Estimate = 1.523, S.E. = 0.402, C.R. = 3.784, $p < 0.001$), indicating that stronger strategic leadership practices are associated with better adaptation to external factors within the Sri Lanka Police. This finding aligns with Ratnayake and Jayawardena's (2024) study, which found that strategic leadership is essential for technopreneurs in Sri Lanka to succeed and remain competitive in changing external environments. However, the effect of strategic leadership on financial well-being was not statistically significant at the 5% level (Estimate = 0.911, S.E. = 0.508, C.R. = 1.794, $p = 0.073$), suggesting that while strategic leadership may contribute to financial well-being, its impact is not strong enough to be deemed significant. Additionally, external factors did not show a significant impact on financial well-being (Estimate = 0.162, S.E. = 0.295, C.R. = 0.548, $p = 0.583$), implying that changes in external conditions alone do not directly influence financial well-being within the organization.

Several strategic leadership components demonstrated strong significant loadings, highlighting their importance in shaping leadership effectiveness. The Ability to Align (AA) showed a strong relationship with strategic leadership (Estimate = 1.484, S.E. = 0.393, C.R. = 3.778, $p < 0.001$), reinforcing the idea that successful alignment of organizational goals is critical for effective leadership. Similarly, the Ability to Decide (AD) (Estimate = 1.343, S.E. = 0.372, C.R. = 3.609, $p < 0.001$) emphasized the necessity of decisive leadership in navigating complex organizational challenges. The Ability to Interpret (AI) (Estimate = 1.653, S.E. = 0.419, C.R. = 3.947, $p < 0.001$) and the Ability to Challenge (AC) (Estimate = 1.799, S.E. = 0.442, C.R. = 4.070, $p < 0.001$) both proved essential, suggesting that strategic leaders must critically analyze and challenge existing norms to drive organizational growth. Furthermore, the Ability to Anticipate the Future (AF) (Estimate = 1.256, S.E. = 0.360, C.R. = 3.491, $p < 0.001$) and Focus on Social and Human Capital (FSCHC) (Estimate = 1.538, S.E. = 0.401, C.R. = 3.836, $p < 0.001$) reaffirmed the necessity of long-term vision and investment in human resources for effective leadership.

Among the external factors, Social & Cultural Changes (SCC) (Estimate = 0.650, S.E. = 0.180, C.R. = 3.613, $p < 0.001$) and Technological Changes (TC) (Estimate = 1.160, S.E. = 0.192, C.R. = 6.027, $p < 0.001$) significantly influenced organizational processes, reinforcing the impact of evolving societal norms and technological advancements. However, Political Changes (PC) exhibited a negative influence on external factors (Estimate = -0.551, S.E. = 0.178, C.R. = -3.090, $p = 0.002$), indicating that political instability could undermine organizational effectiveness. These results suggest that while external social and

technological advancements present opportunities, political instability poses a considerable challenge for the Sri Lanka Police.

Regarding organizational well-being, Social Well-being (SW) (Estimate = 1.067, S.E. = 0.283, C.R. = 3.768, $p < 0.001$) and Human Resource Well-being (HRW) (Estimate = 1.624, S.E. = 0.343, C.R. = 4.730, $p < 0.001$) were significantly influenced by strategic leadership. This underscores the importance of leadership in fostering a positive work environment, promoting employee engagement, and enhancing the overall organizational culture. Liyanage [41] supports this, noting that transformational leadership predicts employee well-being through mechanisms such as meaningful work and psychological empowerment. However, financial well-being did not show a statistically significant relationship, implying that external economic conditions and financial policies might play a more dominant role in shaping financial stability.

The moderating effect of external factors on the relationship between strategic leadership and organizational well-being was also examined. The analysis revealed that Social & Cultural Changes (SCC) and Technological Changes (TC) positively moderated this relationship, indicating that favorable societal and technological environments amplify the benefits of strategic leadership. Conversely, Political Changes (PC) negatively moderated the relationship, suggesting that instability in governance weakens the effectiveness of strategic leadership in promoting organizational well-being. These findings emphasize the necessity for organizations, particularly public sector institutions like the Sri Lanka Police, to adapt to external changes while mitigating political uncertainties.

The analysis highlights the significant impact of strategic leadership on external factors and specific dimensions of organizational well-being, particularly social and human resource well-being. The findings reinforce the importance of leadership abilities such as alignment, decision-making, and interpretation in enhancing organizational performance. External factors, especially social and technological changes, positively influence organizational adaptation, whereas political instability presents challenges. The study underscores the need for strategic leadership development initiatives that emphasize adaptability, proactive decision-making, and human capital investment to enhance organizational well-being in the Sri Lanka Police.

Conclusion

This study provides empirical evidence on the impact of strategic leadership on organizational well-being, with external factors acting as a moderator, within the context of the Sri Lanka Police. The findings indicate that strategic leadership significantly influences external factors and key aspects of organizational well-being, particularly social and human resource well-being. Essential leadership attributes such as the ability to align, decide and interpret were found to be crucial in ensuring effective strategic leadership.

The results also highlight the dynamic role of external factors in moderating the relationship between strategic leadership and organizational well-being. While social and technological changes positively influenced this relationship, political instability emerged as a detrimental factor, weakening the effectiveness of strategic leadership. This underscores the need for organizations, particularly in the public sector, to develop robust strategies to manage external uncertainties and sustain effective leadership practices.

Despite the notable findings, the study has certain limitations, including its focus on a specific public sector institution and the limited scope of external factors considered. Future research could expand on these insights by incorporating a broader range of external influences and comparing strategic leadership practices across different sectors.

Strategic leadership plays a pivotal role in shaping organizational well-being, especially in dynamic and challenging environments. Organizations should invest in leadership development programs that emphasize adaptability, visionary leadership and proactive decision-making. By effectively managing external factors and fostering a strong leadership culture, institutions like the Sri Lanka Police can enhance their operational effectiveness and long-term sustainability.

Recommendations

To enhance strategic leadership and organizational well-being within the Sri Lanka Police, several recommendations are proposed. First, leadership development programs should be strengthened to cultivate essential leadership attributes such as alignment, decision-making and interpretation. Regular training sessions focusing on strategic foresight, crisis management and adaptability will help police leaders navigate an increasingly complex environment. Second, institutional policies should encourage a participatory

leadership approach that promotes collaboration and employee engagement. This will enhance morale and increase human resource well-being. Third, a structured framework should be developed to proactively address external factors such as political, technological, and regulatory changes. Establishing a task force to continuously monitor and adapt to these changes will improve resilience and strategic alignment.

Implications

The findings of this study have significant implications for policymakers, law enforcement agencies, and leadership development practitioners. The research underscores the importance of strategic leadership in fostering organizational well-being and highlights the moderating role of external factors. Policymakers should consider these insights when designing leadership frameworks for public sector organizations. Law enforcement agencies can utilize these findings to refine their leadership models and training programs, ensuring officers are better prepared to handle external challenges. Moreover, leadership development practitioners can integrate the study's insights into training curricula, emphasizing adaptability, resilience and visionary leadership. Ultimately, by strengthening strategic leadership capabilities, organizations like the Sri Lanka Police can enhance their overall performance, sustainability and service delivery.

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