STRATEGIC FLEXIBILITY AND CONSISTENCY AT MANAGER LEVEL: THE COMPATIBILITY BETWEEN STRATEGIC ENFORCEMENT AND PERSONALITY TRAITS

Heru Santosa Hadiyanto

School of Business and Management, Bina Nusantara University, Kebun Jeruk Raya 27, West Jakarta 11530, Indonesia

Email: heru.hadiyanto@binus.ac.id and hadiyanto.heru@yahoo.com

Published online: 6 December 2023

To cite this article: Hadiyanto, H. S. (2023). Strategic flexibility and consistency at manager level: The compatibility between strategic enforcement and personality traits. Asian Academy of Management Journal, 28(2), 119–146. https://doi.org/10.21315/aamj2023.28.2.5

To link to this article: https://doi.org/10.21315/aamj2023.28.2.5

ABSTRACT

There is an inconsistent relationship between personality traits and strategic enforcement. Strategic enforcement can be defined in two orientations, namely flexibility and consistency. This research aims to confirm the influence of personality traits on strategic enforcement in Indonesia’s financing companies. This research is important because this industry is facing stagnant growth due to changes in the business environment. Data from 242 respondents were collected using a stratified random sampling technique, and the partial least square (PLS) program was used to analyse the correlation between variables. The results showed that managers who tend toward strategic flexibility can be identified by their personality traits, such as their approach to gathering information, decision-making, and relate with the external world. However, sources of energy do not significantly influence strategic flexibility. On the other hand, strategic consistency can be identified by personality traits such as a source of energy and decision-making. However, the way of gathering information and relate with the external world did not show a significant influence on strategic consistency. Therefore, if top management requires more strategic flexibility, managers with an intuitive, judging, and thinking-oriented personality will be more aligned with this strategy. Conversely, if top management wants to implement strategic consistency, managers with introverted and feeling-oriented personality traits will be more aligned with this strategy.

Keywords: strategic enforcement, strategic flexibility, strategic consistency, personality traits, Myers-Briggs Type Indicator

© Asian Academy of Management and Penerbit Universiti Sains Malaysia, 2023. This work is licensed under the terms of the Creative Commons Attribution (CC BY) (http://creativecommons.org/licenses/by/4.0/).
INTRODUCTION

Over the past few decades, strategic management issues have continued to evolve and emerge. In today’s fast-paced business environment with velocity, uncertainty, complexity, and ambiguity in competitive settings, how organisations should adapt has become a major topic of research (Al Khalifa, 2021; Cascio & Ramiro, 2016; Herhausen et al., 2021; Posen & Levinthal, 2012; Stieglitz et al., 2016; Sumiati & Pramono, 2019). Several researchers have elaborated on the concept of strategic flexibility as a way to adapt to uncertain situations (Ahmad et al., 2016; Al Khalifa, 2021; Herhausen et al., 2021; Kim, 2014). Similarly, there are several other researchers interested in conducting research related to strategic flexibility, such as Brinckmann et al. (2019), Claussen et al. (2018), and Dai et al. (2018).

Strategic flexibility is one of the orientations in strategy enforcement. There are two orientations in strategic enforcement, namely strategic flexibility and strategic consistency (Parnell, 2005a). Strategic flexibility can be defined as the ability to combine various managerial methods efficiently to respond to environmental changes, seize opportunities, and mitigate threats to create a successful organisation (Chan et al., 2017; Dai et al., 2018; Fernández-Pérez et al., 2016; Parnell, 2005a; Yousuf et al., 2020). In contrast, strategic consistency is defined as a commitment to maintaining the same strategy for a specific period to reduce uncertainty. It often begins with aligning activities between the structure and strategy to achieve better coordination and harmonisation (Parnell, 2005a; Parnell & Lester, 2003; Saffold, 1998; Sriram & Anikeeff, 1995).

The key success factor in implementing strategy is certainly related to human resources aspect, such as selecting and ensuring that the manager’s personality and behaviour are compatible to implement it in the field (Aktham et al., 2020; Bui, 2017; Gualinga & Lennartson, 2020; Guay et al., 2016). Several studies have revealed the influence of personality traits with certain strategic orientation (Beaver, 2003; Gallén, 2010; Hambrick et al., 2001; Parnell, 2005a). Research conducted by Gallén (2006) revealed that managers have a tendency to apply certain types of strategies that match their personality. Other studies explain that personality will affect the strategic decision-making (Kauer et al., 2007; Robbins & Judge, 2008). Other researchers stated that strategic views were influenced by their personality (Gallén, 2010; Parnell, 2005a).

However, the results of other studies on personality traits and strategic enforcement still exhibit contradictions and inconsistencies. Some studies suggest that personality type is not a significant predictor for identifying strategic preferences (Conti & McNeil, 2011; Jennings & Disney, 2006). Furthermore, research on the
relationship between psychological aspects, such as personality, and strategic management is relatively scarce (Leonard et al., 2005).

Based on these inconsistencies, research will be conducted to develop and test hypotheses regarding the influence of personality traits on the orientation of strategic enforcement. Additionally, this research aims to identify the types of personality traits that are more inclined towards strategic flexibility and/or consistency. The research will be carried out among managers in Indonesia’s financing industry, an industry that has experienced stagnant growth in recent years (Otoritas Jasa Keuangan, 2020). A qualitative method with a literature review will be used to establish the conceptual link between variables, and statistical methods will be employed for hypothesis testing.

Strategic enforcement is defined in two orientations, namely strategic flexibility and strategic consistency. Personality traits are reflected in four dimensions of the Myers-Briggs Type Indicator (MBTI), namely the source of energy, way of gathering information, decision-making, and relate/interactions with the external world. The meaning of each construct is explained in the literature review for the conceptual model and hypotheses, and statistical tests will be conducted to provide recommendations.

LITERATURE REVIEW

Based on the framework about causal relationship between strategy enforcement and personality traits, a conceptual model can be drawn (Figure 1). The grand theory from Gallén (2006) about the effect of cognitive style (personality traits) to strategy prefereable (strategy enforcement) will be used as the main concept for further hypothesis. In her research, Gallén (2006) states that the manager will have a tendency to implement a specific strategy type that suits his personality. Besides, personality traits can predict the behaviour of an individual so that it can be adapted to the working method to achieve organisational goals (Bui, 2017; Gupta & Gupta, 2020). Their research also in line with another previous research which state the managers often depend on their value and personality to select the right strategic decision (Beaver, 2003; Hambrick et al., 2001; Miller & Toulouse, 1986; Nutt, 1986; Parnell, 2005a). Beside the grand theory, another supporting theory from Parnell (1994) about strategy enforcement and MBTI about personality theory were used to explain the variables.
Strategic Enforcement: Flexibility and Consistency

Previous research states about two orientations of strategy implementation, namely strategic flexibility and strategic consistency (Hamsal & Agung, 2006; Lamberg et al., 2009; Parnell & Lester, 2003; Yu, 2012; Moss et al., 2013). Each used unique names, but still have same definition relatively. Some studies emphasised more on the affect from strategy and performance (Cingoz & Akdogan, 2013; Moss et al., 2013; Pleshko & Heiens, 2004; Yu, 2012). Other studies emphasised more on the differences between two paradoxical strategies (De Wit & Meyer, 2010; Raynor, 2007) – comparing these two strategy paradoxes to find out the right strategy orientation on company performance (Hamsal & Agung, 2006; Parnell, 1994).

![Figure 1. Conceptual model](image_url)

**Strategic flexibility**

Strategic flexibility can be defined as the ability to change and adapt quickly with manageable cost (Chan et al., 2017; Fernández-Pérez et al., 2016; Ghemawat & del Sol, 1998). Other studies described strategic flexibility as the ability to shift and redesign the strategy quickly (Combe et al., 2012; Johnson et al., 2003). While others explained strategic flexibility as the agility to adapt with environmental dynamics to get high impact performance (Aaker & Mascarenhas, 1984; Ahmad et al., 2016; Herhausen et al., 2021; Kahingo & Muchemi, 2020; Kim, 2014; Ogunmokun & Li, 2012). Based on several definitions from the researchers above, strategic flexibility is synonymous with adaptation, change quickly, and shifting business strategy. According to their definitions, strategic flexibility tends to
outward looking first, then align with internal condition to reconfigure their strategy. As example in financing industry, outward looking here can be explained such as macro economics, regulator policy, technology shifting, competitor movement, and consumer behaviour. These external factors are very important to watch if the organisation wants to get superior performance (Brauer & Schmidt, 2006; Combe et al., 2012). Superior performance through outward looking here can be achieved if the organisation can act as first-mover (Fisscher & de Weerd-Nederhof, 2001; Raynor & Leroux, 2004). First mover advantage is the main objective in strategic flexibility orientation (Combe et al., 2012; Eppink, 1978; Grewel & Tansuhaj, 2001; Parnell, 2005a; Petersen et al., 2000).

Strategic consistency

Strategic consistency is explained as a commitment to executing the same strategy for a certain period to reduce uncertainty (Parnell, 2005a; Parnell & Lester, 2003). Managers who prefer strategic consistency are more concerned with the internal organisation rather than the external environment. Even in turbulent conditions, they often resort to a “wait and see” approach until conditions become more favorable (Lieberman & Montgomery, 1988; Parnell, 2005a). In line with the principle of “second but better,” they believe there is no problem if they cannot act as pioneers as long as they can deliver something better to stakeholders.

Another researcher defined strategic consistency as an alignment activity between the organisational structure and the established strategy (Sriram & Anikeeff, 1995). The alignment with the organisational structure becomes crucial because this strategy is more oriented toward an inward-looking approach initially. After the alignment process, it is expected to create a more harmonious situation and better coordination. In the end, bureaucracy does not contradict with the strategy execution (Saffold, 1998). In this case, the alignment process requires a sustainable understanding to deliver optimal results. The understanding process for the entire team cannot be developed in a short period. Therefore, these managers are not certain that strategic change can deliver better performance if the strategy and structure are continuously forced to change.

Personality Traits

Personality can be explained as permanent characteristic in everyone that it can be reflected from their behaviour at the environment (Bui, 2017; Feist & Feist, 2006; McCrae, 2011; Soto, 2018). Other researchers explained personality as a set of individual character, behaviour, habits, and traits that differ with one another (Asci et al., 2015; Rhodes & Boudreau, 2017). At the individual level, personality
is formed by two aspects: congenital and environment (Baro & Buragohain, 2014). The personality traits will reflect the type of risks they can take and their initiative to correct what went wrong without being intimidated (Landis, 2016; Leephaijaroen, 2016). In addition, personality traits are reported to influence many business outcomes and employee behaviour (Korankye et al., 2021; Syed et al., 2015). One of the most familiar concepts to describe personality is the MBTI developed by Katharine Cook Briggs and Isabel Briggs Myers derived from Jung’s personality theory (Pittenger, 1993). This concept is widely used in many research about personality (Boyd & Brown, 2005; Bradley & Hebert, 1997) and it is common to identify through the questionnaire (Borg & Shapiro, 1996; Myers & McCaulley, 1985). MBTI can explain personality traits through eight parameters that grouped into four attributes: source of energy, way of gathering information, decision making, and relate with external world (Keirsey & Bates, 1998).

**Source of energy: Extrovert-introvert**

This attribute explains the origin of energy and self-motivation (Quenk, 2009). There are two orientations, namely extrovert and introvert (Keirsey & Bates, 1998; Myers & McCaulley, 1985; Myers & Myers, 1980). Each has unique characteristics in their approach to processing information and understanding things (Duff et al., 2004; Emerson & Taylor, 2007). An extrovert reflects activities that are more oriented towards the external environment (Miranti et al., 2020). They are more enthusiastic and energetic (Roslan et al., 2019), more interactive in discussions with others, and can work well as part of a team (Lawrence, 2009). These habits can also be seen in their friendly, sociable, talkative nature, as well as their ability to make friends easily (Salehi, 2010). They have an active and assertive personality (Farsani et al., 2013). They also prefer quick action (Taylor, 1998), which can sometimes result in a lack of strong decision-making skills (Stylianos et al., 2014). Generally, extroverted individuals possess good communication and interaction skills (Khalil, 2016; Mitchellette, 2008).

On the other hand, introverts are more careful and tend to be unwilling to present their ideas or opinions to others; they prefer to observe before getting involved in a process or activity (Prakash et al., 2016). With this character, they have better concentration and reflection (Lawrence, 2009). Generally, introverted individuals are good decision-makers because they are thoughtful and consider multiple perspectives (Brown, 2013; Sumantri & Pratiwi, 2015), and they do not rely on others in the decision-making process.

According to the explanation above, an extrovert is more oriented toward the external environment and prefers quick action. These characteristics are in
Strategic enforcement and personality traits

line with strategic flexibility, which emphasises external conditions, such as competitor or customer behaviour, to gain a first-mover advantage (Combe et al., 2012; Eppink, 1978; Grewel & Tansuhaj, 2001; Parnell, 2005a; Petersen et al., 2000). Meanwhile, an introvert is more careful and prefers to observe the situation beforehand (Akhavan et al., 2016; Bradley & Hebert, 1997; Prakash et al., 2016). These characteristics align with strategic consistency, which emphasises internal factors and argues that there is no guarantee of achieving a first-mover advantage (Lieberman & Montgomery, 1988; Parnell, 2005a). Thus, people who are more oriented toward strategic consistency will tend to observe what happens first before getting involved in the situation. Based on the synthesis of these concepts, the following hypotheses are formulated:

H1: An introvert manager tends to be more oriented towards strategic consistency.

H2: An extrovert manager tends to be more oriented towards strategic flexibility.

Ways of gathering information: Sensitive-intuitive

This attribute explains how an individual manages and receives information (Quenk, 2009; Vasegh & Vasegh, 2011). There are two orientations, namely, sensitive and intuitive (Keirsey & Bates, 1998; Myers & McCaulley, 1985; Myers & Myers, 1980). A person with a sensitive character is linked to things that can be observed by one of the five senses (Gallén, 1997). Other literature states that they are described as individuals who prefer a routine and systematic way of thinking (Robbins & Judge, 2008). Sensitive people tend to trust specific information, concrete evidence, real facts, and tangible things (Vasegh & Vasegh, 2011). In other words, these individuals have strong technical planning skills, an attention to detail, and a preference for improving standard operating procedures with supporting data and proven methods (Boyd & Brown, 2005; Bradley & Hebert, 1997; Buaton & Astuti, 2013).

On the other hand, intuitive characteristics rely on the unconscious mind and tend to focus on the holistic picture (Robbins & Judge, 2008; Vasegh & Vasegh, 2011). Their way of thinking leans toward how current progress will affect the future (Boyd & Brown, 2005; Bradley & Hebert, 1997; Wandrial, 2014). They are more interested in predicting possibilities and meanings (Gallén, 2009). With these characteristics, they enjoy managing data by evaluating patterns and relationships, abstract thinking, global conceptual thinking, and imagining possibilities that can happen in the future (Boyd & Brown, 2005; Bradley & Hebert, 1997). They excel.
in envisioning what should be achieved in the future, making them well-suited for long-term planning and visionary roles.

According to these characteristics, people with a sensitive way of thinking can be described as individuals who rely on concrete evidence, learn from past and present conditions, and prefer a routine and systematic way of thinking (Boyd & Brown, 2005; Bradley & Hebert, 1997; Buaton & Astuti, 2013; Gallén, 1997; Robbins & Judge, 2008; Vaseghi & Vaseghi, 2011). These characteristics align with strategic consistency, emphasising continuity with the past to gain a better understanding and achieve optimal results in the current conditions (Moss et al., 2013; Parnell, 2005; Parnell & Lester, 2003). Conversely, a person with an intuitive way of thinking can be described as someone who relies on possibilities: how today’s situation affects the future (Boyd & Brown, 2005; Bradley & Hebert, 1997; Gallén, 1997; Robbins & Judge, 2008; Vaseghi & Vaseghi, 2011; Wandrial, 2014). These characteristics align with strategic flexibility, which emphasises gaining a first-mover advantage in the future (Parnell, 2005; Parnell & Lester, 2003). Therefore, based on the linkages and similarities between strategy implementation and the way of gathering information, the following hypotheses are proposed:

H3: Sensitive manager tend to be more oriented towards strategic consistency.

H4: Intuitive manager tend to be more oriented towards strategic flexibility.

Decision making: Feeling-thinking

This attribute explains how a person make decisions (Gallén, 1997; Quenk, 2009). There are two orientations in decision making, namely thinking and feeling characters (Keirsey & Bates, 1998; Myers & McCaulley, 1985; Myers & Myers, 1980). People with the thinking characteristic use logical reason, cause-effect analysis (Mutchler, 1998), and prefer to analyse the pros and cons prior to decision making (Robbins & Judge, 2008; Wandrial, 2014). They are task-oriented and focus to objective argument, consistent with their principles, and they can act as analyst or to create standard operating procedure (Boyd & Brown, 2005; Bradley & Hebert, 1997; Buaton & Astuti, 2013). With these characteristics, they like to create systematic rule of thumbs as a guideline to select the most compatible option and the most reasonable choice (Vaseghi & Vaseghi, 2011). Feeling characteristic rely more on personal value and emotions (Boyd & Brown, 2005; Bradley & Hebert, 1997; Gallén, 1997). They often consider others’ feeling to create harmonic environment (Robbins & Judge, 2008; Wandrial, 2014).
In light of the characteristics mentioned above, individuals with a feeling orientation tend to be more subjective compared to those with a thinking orientation. They often take others’ feelings into consideration during the decision-making process (Boyd & Brown, 2005; Bradley & Hebert, 1997; Gallén, 1997; Robbins & Judge, 2008; Wandrial, 2014). This characteristic aligns with strategic consistency because the impact of strategic flexibility is often perceived as a threat to job security (Davis & Fisher, 2002; Floyd & Wooldridge, 2000). They tend to implement the same strategy (consistency) with minimal impact on their team. Conversely, individuals with a thinking orientation, driven by logical and objective reasoning to create a better future, align with strategic flexibility, emphasising the evaluation of the big picture regarding current progress and its potential impact on the future. Based on the connections between these concepts, the following hypotheses are formulated:

H5: Feeling-oriented manager tend to implement strategic consistency.

H6: Thinking-oriented manager tend to implement strategic flexibility.

Relate with external world: Judging-perceiving

This attribute explains the personal adjustment to adapt with the external environment (Feist & Feist, 2006) and how their “lifestyle orientation toward the outside world” (Bevilacqua et al., 2014). In his research, Farmer (2018) states the relate with external world as the way people react to a situation, task, and time. Many literature state that it is the most difficult to predict than other dimension of personality traits because it implicates habit and behaviours at daily activities (Li et al., 2018; Plank & Hovy, 2015; Verhoeven et al., 2016; Wang, 2015). There are two orientations, namely judging and perceive (Keirsey & Bates, 1998; Myers & McCaulley, 1985; Myers & Myers, 1980).

Individuals with judging characteristics desire control and prefer a systematic plan through their thinking process, acting regularly (Robbins & Judge, 2008). They place emphasis on organisation and self-discipline (Bevilacqua et al., 2014) and prefer to have a proper plan of action (Panait & Bucinschi, 2018). Consequently, they do not favour unplanned activities; instead, they prefer to establish a well-structured activity plan and act based on this plan (Buaton & Astuti, 2013; Robbins & Judge, 2008).

On the other hand, those with perceiving characteristics are more adaptable (Bevilacqua et al., 2014), flexible, and spontaneous (Panait & Bucinschi, 2018). They are open to all possibilities and are skilled at making last-minute decisions (Sprague, 1997). Other studies indicate their preference for creativity and flexibility.
(Choong & Varathan, 2021). They do not have problems adapting or changing their
initial plans under uncertain circumstances and sudden environmental changes
(Buaton & Astuti, 2013; Robbins & Judge, 2008). With these characteristics, they
prefer to implement first and make adjustments based on the newest conditions.

According to these characteristics, individuals with judging orientations are
described as people who prefer well-prepared plans. This preference aligns with
strategic consistency, emphasising certainty and continuity with strategic plans or
previous strategy implementations (Parnell, 2005a; Parnell & Lester, 2003). On
the other hand, individuals with perceiving orientations tend to be more adaptable,
flexible, and spontaneous, in line with the principles of strategic flexibility that
emphasise adaptability (Bevilacqua et al., 2014; Choong & Varathan, 2021; Panait
& Bucinschi, 2018; Robbins & Judge, 2008). Based on the relationships and
similarities between these concepts, hypotheses can be synthesised as follows:

H7: Judging-oriented manager tend to lean towards strategic consistency.

H8: Perceiving-oriented manager tend to lean towards strategic flexibility.

Strategic Enforcement and Personality Traits

According to the conceptual review between strategic enforcement and personality
traits, its essence and linkage can be summarised in Table 1.

Table 1

<table>
<thead>
<tr>
<th>Personality traits perspective</th>
<th>Strategic flexibility perspective</th>
<th>Strategic consistency perspective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source of energy: Outward oriented vs. observe first</td>
<td>Very important to be first-mover based on external progress like competitor or customer behaviour (Petersen et al., 2000; Parnell, 2005a)</td>
<td>Very important for “wait and see” because there is no guarantee for first-mover can get optimum result (Parnell, 2005a; Lieberman &amp; Montgomery, 1988)</td>
</tr>
<tr>
<td>Ways of gathering information: Present future vs. past present oriented</td>
<td>Emphasise to create better future based on current progress (Fisscher &amp; de Weerd-Nederhof, 2001; Raynor &amp; Leroux, 2004)</td>
<td>Emphasise on continuity with past period to get better understanding and optimum result (Moss et al., 2013)</td>
</tr>
</tbody>
</table>

(Continued on next page)
Table 1 (Continued)

<table>
<thead>
<tr>
<th>Personality traits perspective</th>
<th>Strategic flexibility perspective</th>
<th>Strategic consistency perspective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decision making: Objective reason vs. reduce confusion</td>
<td>Restructuring must be aligned with strategic adaptation even it can make upsets within organisation (Davis &amp; Fisher, 2002; Floyd &amp; Wooldridge, 2000)</td>
<td>Very crucial to reduce uncertainty and chaos within organisation and very crucial to create a harmonise organisation</td>
</tr>
<tr>
<td>Relate with external world: Proper action plan vs. adaptable</td>
<td>Flexible, quick respond, and adaptation is very crucial for survival (Ghemawatt &amp; del Sol, 1998, Brauer &amp; Schmidt, 2006; Combe et al., 2012).</td>
<td>Incidental change on current structure and working process tend to create resistency (Saffold, 1998).</td>
</tr>
</tbody>
</table>

**METHODOLOGY**

The research method used is a quantitative approach that involves hypothesis testing to examine various relationships between variables using the partial least squares (PLS) method. The research period is cross-sectional, i.e., data collection occurred at a specific point in time, and data collection was a one-time event. The unit of analysis employed in this study is the individual, specifically, managers in financial services companies in Indonesia. The population comprises 18,963 managers in the finance industry. Data collection technique involved the use of a questionnaire as a research instrument. The sampling technique utilised in this study is two-stage stratified random sampling, a method that involves creating strata within the considered population (Nasution & Usman, 2008). These strata segregate the manager population in the finance industry based on company size and return on asset size, distinguishing between above-average and below-average categories. This approach ensures that the sample, taken on a prorated basis, can effectively represent each stratum of the population.

Data analysis was conducted using a Likert scale ranging from 1 to 6. In the questionnaire, the characteristics of individuals who are conceptually considered to have a tendency toward strategic consistency were represented on a smaller ordinal scale. Meanwhile, individuals who are conceptually considered to have a tendency toward strategic flexibility were represented on a larger ordinal scale. However, the individual characteristics in this context are neutral, and the small and large scales are only used as codes to facilitate statistical interpretation and hypothesis testing.
The variables used in this study were operationalised in the form of questions within a questionnaire. The questions in the questionnaire were adopted and adapted from several previous studies that are relevant to this research. The operationalisation of variables related to strategic consistency and strategic flexibility was adopted from research conducted by Parnell (2005a) and Hamsal and Agung (2007).

Strategic consistency was operationalised through several indicators, including the belief that: (1) consistency with a particular strategy will bring best result in the long run, (2) success can be achieved by repeating the same and proven effective strategy, (3) a successful company should not react too quickly to changes in the environment by altering its strategies, and (4) committing to implement a consistent strategy over a certain period of time will bring the best results.

The variable of strategic flexibility was operationalised through several indicators, including the belief that: (1) the ability to adapt and change is key to success, (2) acting quickly as a pioneer or agent of change in the industry is the key to success, (3) allocating reserve resources is important to anticipate the risk of failure, and (4) a company must immediately change its strategy if the execution team cannot implement it effectively.

The operationalisation of variables related to the source of energy, the way of gathering information, decision-making, and their relation to the external world was adopted from the research of Wandrial (2014) and Madeon and Astuti (2013). These variables are also based on several supporting theories, such as those by Robbins and Judge (2008). The source of energy variable is reflected through several indicators, including: (1) approach to generating new ideas, (2) work preferences in activities or concentration, (3) comfort level when around people, (4) tendency to express everything in mind or observe first, and (5) tendency to act first and think later, or vice versa. The way of gathering information is reflected through several indicators, including: (1) preference for possibilities or realities, (2) interest in abstract concepts or real-world problems, (3) perception of standard operating procedures as boring or supportive, (4) enthusiasm for details or broad ideas, and (5) ease in seeing an overview or focusing on details. The decision-making variable is reflected through several indicators, including: (1) view on whether conflict is natural or should be avoided, (2) emphasis on justice over feelings, and (3) tendency to be an analyst or prioritise empathy in decision-making. The variable related to the external world is reflected through several indicators, including: (1) tendency to implement changes immediately or plan properly, (2) adaptability or preference for sticking to a plan, and (3) willingness to change the initial plan or adhere to it.
RESULTS

Data were collected from 242 managers working in the financial service industry in Indonesia through the distribution of questionnaires. Before testing the hypotheses, validity and reliability tests will be carried out on the 25 indicators used (see Appendix). The indicators will be considered valid if the loading factor, average variance extracted (AVE), and communality values are greater than 0.5 (Ghozali, 2015; Hair et al., 2011). Meanwhile, an indicator is deemed reliable if the Cronbach’s alpha and composite reliability values exceed 0.50 (Ghozali, 2015).

Based on the results of statistical tests, it is evident that the loading factor values for each indicator on the source of energy variable (0.530–0.860), the way of gathering information (0.661–0.824), decision making (0.640–0.812), related to external world (0.674–0.807), strategic consistency (0.754–0.846), and strategic flexibility (0.534–0.792) all exceed 0.5 (see Appendix). Additionally, the AVE values (0.55–0.64) indicate the validity of each variable in this research. Similarly, Cronbach’s alpha values (0.61–0.84) and composite reliability values (0.79–0.88) for each variable show the reliability of the indicators (Table 2).

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Benchmark</th>
<th>SOE</th>
<th>WGI</th>
<th>DM</th>
<th>REW</th>
<th>CONS</th>
<th>FLEX</th>
</tr>
</thead>
<tbody>
<tr>
<td>AVE</td>
<td>0.50</td>
<td>0.57</td>
<td>0.61</td>
<td>0.56</td>
<td>0.57</td>
<td>0.64</td>
<td>0.55</td>
</tr>
<tr>
<td>Composite reliability</td>
<td>0.50</td>
<td>0.87</td>
<td>0.88</td>
<td>0.79</td>
<td>0.80</td>
<td>0.88</td>
<td>0.86</td>
</tr>
<tr>
<td>Cronbach’s alpha</td>
<td>0.50</td>
<td>0.82</td>
<td>0.84</td>
<td>0.61</td>
<td>0.63</td>
<td>0.82</td>
<td>0.79</td>
</tr>
</tbody>
</table>

If the results of the statistical tests (Table 3) are related to the hypotheses, several additional interpretations can be derived. Hypothesis test results are considered significant if the t-statistics value exceeds 1.65 (at a 90% confidence level).

1. The variable “source of energy” (SOE) has a significant effect on “strategic consistency” (CONS) with a negative relationship direction. Thus, extrovert managers demonstrate a reduced tendency to implement strategic consistency, while introvert managers tend to exhibit strategic consistency (H1 was accepted).

2. The variable “source of energy” (SOE) has a positive influence on “strategic flexibility” (FLEX). Thus, introvert managers exhibit a reduced tendency to implement strategic flexibility, while extrovert managers tend to demonstrate strategic flexibility. However, the effect of this variable was not significant on strategic flexibility (H2 was rejected).
3. The variable “way of gathering information” (WGI) has a negative effect on “strategic consistency” (CONS). As a result, intuitive managers exhibit a reduced tendency to implement strategic consistency, whereas sensing managers tend to demonstrate a tendency to implement strategic consistency. However, the effect of this variable is not significant on “strategic consistency” (H3 was rejected).

4. The variable “way of gathering information” (WGI) has a significant effect on “strategic flexibility” (FLEX) with a positive relationship. Thus, sensing managers exhibit a reduced tendency to implement strategic flexibility, while intuitive managers demonstrate a greater tendency to implement strategic flexibility (H4 was accepted).

5. The variable “decision making” (DM) has a significant effect on “strategic consistency” (CONS) with a positive relationship. Therefore, thinking-oriented managers exhibit a reduced tendency to implement strategic consistency, while feeling-oriented managers tend to have a tendency to implement strategic consistency (H5 was accepted).

6. The variable “decision making” (DM) has a positive influence on “strategic flexibility” (FLEX). Therefore, feeling-oriented managers exhibit a reduced tendency to apply strategic flexibility, while thinking-oriented managers tend to apply strategic flexibility (H6 was accepted).

7. The variable “relate with the external world” (REW) has a negative effect on “strategic consistency” (CONS). As a result, perceiving-oriented managers have a reduced tendency to apply strategic consistency, whereas judging-oriented managers have a greater tendency to apply strategic consistency. However, the effect of this variable is not significant on “strategic consistency” (H7 was rejected).

8. The variable “relate with the external world” (REW) has a significant effect on “strategic flexibility” (FLEX) with a positive relationship. Thus, judging-oriented managers exhibit a reduced tendency to apply strategic flexibility, while perceiving-oriented managers have a greater tendency to apply strategic flexibility (H8 was accepted).
### Table 3
**Total effect and interpretation**

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Beta</th>
<th>P-value*</th>
<th>Std. error</th>
<th>Regression</th>
<th>T-stat**</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 SOE → CONS</td>
<td>-0.110</td>
<td>0.165</td>
<td>0.129</td>
<td>-0.265</td>
<td>2.052</td>
<td>Accept</td>
</tr>
<tr>
<td>H2 SOE → FLEX</td>
<td>0.011</td>
<td>0.872</td>
<td>0.120</td>
<td>0.003</td>
<td>0.025</td>
<td>Reject</td>
</tr>
<tr>
<td>H3 WGI → CONS</td>
<td>-0.065</td>
<td>0.381</td>
<td>0.127</td>
<td>-0.023</td>
<td>0.178</td>
<td>Reject</td>
</tr>
<tr>
<td>H4 WGI → FLEX</td>
<td>0.339</td>
<td>0.000</td>
<td>0.108</td>
<td>0.312</td>
<td>2.886</td>
<td>Accept</td>
</tr>
<tr>
<td>H5 DM → CONS</td>
<td>-0.259</td>
<td>-0.000</td>
<td>0.104</td>
<td>-0.220</td>
<td>2.121</td>
<td>Accept</td>
</tr>
<tr>
<td>H6 DM → FLEX</td>
<td>0.280</td>
<td>0.000</td>
<td>0.092</td>
<td>0.287</td>
<td>3.123</td>
<td>Accept</td>
</tr>
<tr>
<td>H7 REW → CONS</td>
<td>-0.084</td>
<td>0.247</td>
<td>0.118</td>
<td>-0.004</td>
<td>0.038</td>
<td>Reject</td>
</tr>
<tr>
<td>H8 REW → FLEX</td>
<td>0.249</td>
<td>0.000</td>
<td>0.089</td>
<td>0.299</td>
<td>3.383</td>
<td>Accept</td>
</tr>
</tbody>
</table>

**Notes:** Beta values and P-values run by SPSS; standard error, regression, T-stat run by PLS
*significant at confidence level 90% (*P*-value < 0.1); **significant if T-stat > 1.65

## DISCUSSION

Based on the hypothesis test involving two orientations of strategy enforcement and four personality traits, some theoretical implications can be drawn. The results of the hypothesis test align with several studies that indicate there is an effect from personality traits and strategy enforcement orientation (Aktham, 2020; Beaver, 2003; Bui, 2017; Gallén, 2006; Gallén, 2010; Guay et al., 2016; Gualinga & Lennartson, 2020; Hambrick & Fredrickson, 2001; Parnell, 2005a). More specifically, the decision-making variable emerges as a doubly significant factor influencing a manager’s strategic orientation, whether they lean more towards strategic flexibility or strategic consistency. This finding is consistent with the assertions made by Kauer et al. (2007) and Robbins and Judge (2008), who suggest that personality has an impact on strategic decision making. This statement is in line with Landis (2016) and Leephajaroen (2016), who assert that personality traits reflect the types of risks individuals are willing to take and their initiative to correct what goes wrong. These characteristics can have an effect on business outcomes and employee behaviour (Korankye, 2021; Syed et al., 2015).

Next, the variable related to the external world becomes the most significant factor in determining whether managers tend to lean toward strategic flexibility. In this case, managers who are perceiving-oriented tend to be more inclined to apply flexibility. This aligns with the notion that perceiving-oriented individuals have a tendency to be more adaptable, flexible, and spontaneous (Bevilacqua et al., 2014; Choong & Varathan, 2021; Panait & Bucinschi, 2018; Robbins & Judge, 2008).
The third factor that affects managers to be more oriented toward strategic flexibility is the way of gathering information. In this case, managers who are more intuitive tend to apply strategic flexibility. The results of this study are in line with the view that intuitive characteristics emphasise the ability to create a better future quickly based on current progress, and this ability aligns with the characteristics of strategic flexibility (Ahmad et al., 2016; Chan et al., 2017; Dai et al., 2018; Fernández et al., 2016; Fisscher & de Weerd-Nederhof, 2001; Kahingo & Muchemi, 2020; Raynor & Leroux, 2004; Yousuf et al., 2020).

Meanwhile, personality traits that affect strategic consistency are decision making and the source of energy. Managers with a feeling-oriented approach in decision making tend to apply strategic consistency. This aligns with the similarity of characteristics that emphasise the importance of reducing uncertainty and chaos within an organisation to create a harmonious environment. The second factor that influences a manager to apply strategic consistency is the source of energy. In this case, introverted managers tend to lean more towards strategic consistency. This relationship is in line with the similarity of characteristics between introverts and the strategic consistency principle of “wait and see” because there is no guarantee that being a first-mover will result in the optimum outcome (Lieberman & Montgomery, 1988; Parnell, 2005).

In addition to this, there are managerial implications arising from these results. It is essential to remember that a key success factor in implementing a strategy relates to the human resources aspect, including the selection and ensuring that the manager’s personality and behaviour are compatible with its implementation in the field (Aktham, 2020; Bui, 2017; Gualinga & Lennartson, 2020; Guay et al., 2016). If top management requires a more flexible strategy implementation in the organisation, middle and bottom-line managers who have intuitive, judging, and thinking-oriented traits will be better aligned with this strategy. Therefore, the organisation can apply strategic flexibility more effectively if it can transform and develop its managers to be more intuitive in the way they gather information, more oriented toward judging than perceiving in their approach to the external world, and more thinking-oriented rather than feeling-oriented in decision-making.

Conversely, if the top management wants to sharpen the strategy by continuing to consistently implement the same strategy, middle and bottom-line managers with introverted and feeling personality traits tend to align with this strategy. Therefore, organisations can apply strategic consistency more effectively if they can develop their managers in the aspect of the source of energy, focusing on those who are more introverted than extroverted, and more feeling-oriented than thinking-oriented in decision-making. If we link this to human resource strategy and
development, it can be incorporated into managerial development programs and used for selecting the right managers in practical industries. An organisation that seeks to make a strategic change certainly requires managers who are more oriented toward strategic flexibility. Likewise, an organisation that aims to maintain the same strategy as before requires the support of different managerial characteristics than the organisation making strategic changes. In this case, managers should be more oriented toward strategic consistency. It is important to note that the two orientations from the four personality trait variables are neutral. Similarly, the two strategic orientations are neutral, and there is no inherent superiority of one strategy over another. The research aims to identify which individual characteristics are more suitable for the strategy to be implemented by the company. Therefore, it should not be interpreted that managers who are more oriented toward change and flexibility are superior to individuals who are more consistent in implementing certain strategies.

With some insignificant hypotheses, further research is certainly needed to reaffirm the research model presented here. Further research can be conducted using the MANOVA technique to determine whether significant differences exist between the two groups of individuals with different orientations, specifically regarding aspects such as source of energy (introvert and extrovert), way of gathering information (intuitive and sensing), decision-making (thinking and feeling), and relate to the external world (perceiving and judging). Furthermore, additional research using the MANOVA technique can also be conducted by categorising functional positions, such as marketing, risk management, operations, finance, or human capital, from the respondents to ascertain whether there are significant differences between these functional groups.

CONCLUSION

Based on the results of the hypothesis test above, it can be concluded that several personality traits can influence managerial tendencies in implementing strategies. From the source of energy perspective, introverted managers tend to lean towards implementing strategic consistency (H1 was accepted). However, extroverted managers tend to show a tendency to implement strategic flexibility, though this effect is not significant (H2 was rejected). When considering the way of gathering information perspective, sensing managers have a tendency towards implementing strategic consistency, but the effect is not significant (H3 was rejected). In contrast, intuitive managers have a greater tendency to implement strategic flexibility (H4 was accepted). From the decision-making perspective, feeling-oriented managers tend to have a tendency to implement strategic consistency (H5 was accepted).
On the other hand, thinking-oriented managers have a tendency to apply strategic flexibility (H6 was accepted). Regarding the perspective of relating with the external world, judging-oriented managers have a greater tendency to implement strategic consistency, although this effect is not significant (H7 was rejected). The perceiving-oriented managers have a greater tendency to apply strategic flexibility (H8 was accepted).

From this hypothesis testing, it is known that there is a relationship between strategy enforcement and personality traits at the individual level. This finding is in line with previous researchers like Hambrick and Fredrickson (2001) and Parnell (2005a), where they state that management often relies on their personality to make the right strategic decisions (Hambrick & Fredrickson, 2001; Parnell, 2005a). Furthermore, this finding aligns with Gallén (2010), who in his research, stated that managers tend to implement a certain strategy type that suits their personality. More specifically, certain personality characteristics are more oriented towards strategic consistency, namely introverted managers and managers who are feeling-oriented in decision-making. This is possibly because individuals with these orientations tend to prioritise their own or others’ feelings. With characteristics like these, they are less inclined towards flexibility or change, which could potentially affect the team’s fate. Consequently, they are more inclined to implement strategic consistency.

Similarly, there are certain personality trait characteristics that are more oriented towards strategic flexibility, namely those who are more intuitive, judging, and thinking-oriented managers. An intuitive personality makes it easier for individuals to see the overall picture and make necessary adjustments. Meanwhile, a judging-oriented personality makes it easier for individuals to adapt naturally and be more flexible to change. Managers with thinking-oriented characteristics tend to make more objective decisions. The relationship between certain personality types and strategic flexibility at the individual level is in line with Vakola et al. (2003). They state that there is a positive relationship between personality traits and employee attitudes, specifically flexibility, when dealing with changes. In the context of personality traits and strategic decision-making orientation (thinking and feeling), the findings from this paper align with Robbins and Judge (2008), who state that personality affects the decision-making process. More specifically, the compatibility between thinking orientation and strategic flexibility, as well as feeling orientation and strategic consistency, align with these theoretical statements.
REFERENCES


Strategic enforcement and personality traits


Strategic enforcement and personality traits


Lawrence, G. (2009). *People types and tiger stripes: Using psychological type to help students discover their unique potential* (4th ed.). Center for Applications of Psychological Type, Inc.


Plank, B., & Hovy, D. (2015). Personality traits on Twitter or how to get 1,500 personality tests in a week. *Proceedings of the 6th Workshop on Computational Approaches to Subjectivity, Sentiment and Social Media Analysis* (pp. 92–98). Association for Computational Linguistics.  [https://doi.org/10.18653/v1/W15-2913](https://doi.org/10.18653/v1/W15-2913)


## APPENDIX

### Operationalised variable and validity testing

<table>
<thead>
<tr>
<th>Variable Operationalisation</th>
<th>Loading Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Source of Energy</strong></td>
<td></td>
</tr>
<tr>
<td>I often come up with new ideas after discussing it with other people</td>
<td>0.860</td>
</tr>
<tr>
<td>I prefer to do work that is related to activity rather than work that requires concentration</td>
<td>0.669</td>
</tr>
<tr>
<td>I feel very comfortable around people</td>
<td>0.801</td>
</tr>
<tr>
<td>In a meeting or discussion session, I have a tendency to convey everything I have in mind for discussion</td>
<td>0.859</td>
</tr>
<tr>
<td>I often act first and then think later</td>
<td>0.530</td>
</tr>
<tr>
<td><strong>Way of Gathering Information</strong></td>
<td></td>
</tr>
<tr>
<td>I am more interested in possibility than reality</td>
<td>0.772</td>
</tr>
<tr>
<td>At work, I am more interested in something that is still abstract (head in the cloud) rather than discussing real problems (down to earth)</td>
<td>0.824</td>
</tr>
<tr>
<td>I think standard operating procedures are boring</td>
<td>0.661</td>
</tr>
<tr>
<td>In a meeting or discussion session, I am more enthusiastic about listening to people who convey only broad ideas</td>
<td>0.816</td>
</tr>
<tr>
<td>When discussing a problem, I find it easier to see an overview of the problem</td>
<td>0.806</td>
</tr>
<tr>
<td><strong>Decision Making</strong></td>
<td></td>
</tr>
<tr>
<td>I think that conflict is something natural and normal in human relationships</td>
<td>0.640</td>
</tr>
<tr>
<td>In making decisions, I am more focus on justice more than feelings</td>
<td>0.790</td>
</tr>
<tr>
<td>I am an “analyst” who makes decisions objectively</td>
<td>0.812</td>
</tr>
<tr>
<td><strong>Relate with External World</strong></td>
<td></td>
</tr>
<tr>
<td>In starting a project, I have a tendency to want to implement immediately rather than focusing on planning properly in advance</td>
<td>0.674</td>
</tr>
<tr>
<td>At work, I feel more like a person who is easy to adapt to change</td>
<td>0.807</td>
</tr>
<tr>
<td>I never bothered to change the initial plan that was agreed upon if the developments in the conditions that occurred in the field turned out to be not as predicted</td>
<td>0.774</td>
</tr>
</tbody>
</table>

(Continued on next page)
## Operationalised variable and validity testing *(Continued)*

<table>
<thead>
<tr>
<th>Variable Operationalisation</th>
<th>Loading Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategic Flexibility</strong></td>
<td></td>
</tr>
<tr>
<td>I am view that flexibility and the ability to adapt to change are the keys to success, so companies must anticipate changes that occur in the external environment even though the adaptation process can often cause internal organisational turmoil.</td>
<td>0.778</td>
</tr>
<tr>
<td>I am view that in order to be successful, the company should act faster as a pioneer or agent of change in the industry, so that it is not just waiting for the competitor movement.</td>
<td>0.792</td>
</tr>
<tr>
<td>I am view that companies should still try to take advantage of opportunities arising from changes in regulations or the external environment, even though there will be a risk of failure or extra costs that may have to be incurred.</td>
<td>0.772</td>
</tr>
<tr>
<td>The company should still allocate a certain minimum amount of reserves for doubtful accounts, even though this allocation will make a smaller profit</td>
<td>0.789</td>
</tr>
<tr>
<td>I am view that the company must immediately change its strategy if the team in the field cannot implement it effectively or based on the experience of previous competitors</td>
<td>0.534</td>
</tr>
<tr>
<td><strong>Strategic Consistency</strong></td>
<td></td>
</tr>
<tr>
<td>I am view that companies that are consistent in sticking to a particular strategy will get the best results in the long run</td>
<td>0.838</td>
</tr>
<tr>
<td>I am view that the company will be more likely to achieve success if it maintains/repeats a same strategy that has been proven effective in bringing success in the previous period</td>
<td>0.754</td>
</tr>
<tr>
<td>I am view that companies should not react too quickly by changing strategies if there is a change in their business environment</td>
<td>0.762</td>
</tr>
<tr>
<td>I am view that it is very important for companies to remain firm and committed in implementing a strategy so that the results can be seen over a certain period of time</td>
<td>0.846</td>
</tr>
</tbody>
</table>