



IJM

International Journal of Management

Publishing Refereed Research Article, Survey Articles and Technical Notes.

ISSN Print: 0976-6502 / ISSN Online: 0976-6510



IAEME Publication

Chennai, India

editor@iaeme.com / iaemedu@gmail.com

<https://iaeme.com/Home/journal/IJM>





THE POLITICS BEHIND PERFORMANCE: HOW SHADOW STRATEGIES DRIVE ORGANIZATIONAL OUTCOMES IN EMERGING MARKETS

Abdul Wahid Achberia¹, Chasan Aroma Abdullah², Yudhi Satria Mulya³, Ahmad Syamil⁴

¹Binus University Business School, Jakarta, Indonesia.

²Binus University Business School, Jakarta, Indonesia.

³Binus University Business School, Jakarta, Indonesia.

⁴Binus University Business School, Jakarta, Indonesia.

Abstract

This study examines how informal political behaviors—termed shadow strategies— affect organizational performance in emerging Southeast Asian markets characterized by institutional voids and regulatory ambiguity. Using survey data from 234 senior- and mid-level managers across Indonesia, Malaysia, Singapore, and Thailand, we employed Partial Least Squares Structural Equation Modeling (PLS-SEM) to analyze the direct, indirect, and moderating effects of Organizational Political Work Intensity (OPWI), Leadership Political Engagement (LPE), and Non-Market Strategy Orientation (NMSO). The results demonstrate that LPE and NMSO significantly enhance organizational performance, while OPWI has no substantial impact. Moreover, Ethical Identity Salience (EIS) and Strategic Clarity (SC) amplify the positive role of political strategies, whereas Organizational Culture of Politics (OCP) plays a dual role, either reinforcing or undermining outcomes depending on ethical alignment. Theoretically,

the study integrates political strategy with ethical and strategic constructs, contributing to the literature on strategic management and non-market strategy in volatile contexts. Practically, it offers insights for leaders on balancing political engagement with ethics and strategic clarity to achieve sustainable performance in politically charged environments.

Keywords: Emerging markets, ethical identity, leadership engagement, non-market strategy, organizational politics, shadow strategies.

Cite this Article: Abdul Wahid Achberia, Chasan Aroma Abdullah, Yudhi Satria Mulya, Ahmad Syamil. (2025). The Politics Behind Performance: How Shadow Strategies Drive Organizational Outcomes in Emerging Markets. *International Journal of Management (IJM)*, 16(5), 14-42. DOI: https://doi.org/10.34218/IJM_16_05_002

1. Introduction

In emerging markets, organizational performance is influenced not only by formal market strategies but also by the nuanced and often opaque realm of political behavior within and around the firm. These environments—marked by institutional voids, regulatory uncertainties, and fragmented governance structures—render traditional strategic models insufficient for explaining firm success (Doh et al., 2012). While mainstream strategic management literature has emphasized formal structures and rational planning, the influence of “shadow strategies”—informal, politically charged, and often ethically ambiguous practices—has remained underexplored (Wrona & Sinzig, 2017; Ahammad et al., 2017). These shadow strategies are particularly salient in institutional contexts where informal networks and political alignment often supersede legal-rational authority in securing critical resources, legitimacy, and competitive positioning (Oliver & Holzinger, 2008; Mellahi et al., 2016). Organizational Political Work Intensity (OPWI) and Leadership Political Engagement (LPE) emerge as crucial levers through which firms navigate external ambiguity and internal power dynamics (Ferris & Kacmar, 1992; Zhang & Vurro, 2020). Yet, the literature has inadequately addressed how these political behaviors interact with non-market strategy orientation (NMSO) and are shaped by external ambiguity (EA) and internal ethical identity salience (EIS)—two forces that represent the tension between strategic pragmatism and value-driven governance (Berrone et al., 2007; Treviño et al., 2014). Despite growing interest in non-market strategies and political behavior, several theoretical and empirical gaps persist.

First, extant research tends to treat organizational politics as either a disruptive force (Ferris & Kacmar, 1992) or a functional tool for resource acquisition (Zahra, 1987), failing to theorize its contingent outcomes based on contextual moderators such as strategic clarity (SC) and organizational culture of politics (OCP) (Parnell, 2010; Awaah, 2023). Second, while ethical identity has been discussed from a normative lens, its role as a strategic moderator—particularly in high-stakes political environments—remains underdeveloped in both theory and empirical research (Treviño et al., 2014; Berrone et al., 2007). Lastly, the literature rarely integrates multi-level dynamics of political behavior with macro-level institutional pressures and firm-level performance outcomes in emerging markets (Zhang & Vurro, 2020; Mellahi et al., 2016). Our study addresses these critical gaps by exploring the interactive effects of OPWI, LPE, and NMSO on organizational performance, moderated by external ambiguity, ethical identity salience, organizational culture of politics, and strategic clarity. By doing so, it responds to recent calls for a more integrative understanding of informal strategic behavior under volatile conditions (Ahammad et al., 2017; Doh et al., 2012).

1.1 Research Objectives

- To examine the direct and indirect impact of organizational political work and leadership political engagement on firm performance in emerging markets.
- To assess the moderating role of external ambiguity and ethical identity salience in shaping the outcomes of political behavior.
- To evaluate the combined effect of non-market strategic orientation and internal political culture on organizational success.

1.2 Research Questions

- How do shadow strategies such as OPWI, LPE, and NMSO influence organizational performance in emerging market settings?
- In what ways do external ambiguity and ethical identity salience shape the effectiveness of political behaviors?
- To what extent do strategic clarity and organizational political culture moderate the relationship between political strategies and firm outcomes?

2. Literature Review

The role of organizational politics in shaping performance has become increasingly significant, particularly in emerging economies where external uncertainty and internal political dynamics are prevalent. While existing literature explores political behavior, leadership

engagement, and non-market strategies, it often lacks an integrated view of how these forces influence organizational outcomes through mediators such as strategic clarity, ethical identity salience, and the culture of politics.

This study addresses that gap by examining the effects of organizational political work intensity (OPWI), external ambiguity (EA), leadership political engagement (LPE), and non-market strategy orientation (NMSO) on organizational performance, mediated by strategic and ethical constructs. Grounded in Institutional Theory, Upper Echelons Theory, and Social Identity Theory, the model provides a multidimensional understanding of how political dynamics affect strategic behavior and performance. This integrated framework not only contributes to theory but also provides practical insight for managing politics in organizational settings.

2.1 Organizational Political Work Intensity (OPWI) and Organizational Performance

Organizational Political Work Intensity (OPWI) refers to the degree to which employees engage in self-serving behaviors to secure resources, influence decisions, or gain power within an organization (Vigoda-Gadot, 2007). When OPWI is high, employees often perceive the workplace as competitive and distrustful, leading to an Organizational Culture of Politics (OCP)—a climate where informal power dynamics, favoritism, and strategic manoeuvring dominate interactions (Ferris & Kacmar, 1992). Research suggests that in such environments, political behavior becomes normalized, shaping cultural norms where employees believe that success depends on networking and influence rather than merit (Parker et al., 1995). Studies in emerging markets, such as those by Dartey-Baah & Agbozo (2021), demonstrate that high OPWI reinforces OCP by encouraging employees to adopt political tactics as a survival strategy. Similarly, Nisar (n.d.) found that in politically charged workplaces, leadership decisions are often influenced by power struggles rather than organizational goals, further embedding political behavior into the culture. Thus, there is strong theoretical and empirical support for the argument that OPWI fosters a political culture within organizations.

At the same time, high OPWI can negatively impact Strategic Clarity (SC), which refers to the transparency and coherence of an organization's goals and strategies (Parnell, 2010). When political behavior is rampant, competing agendas and hidden power struggles create ambiguity, making it difficult for employees to align with a unified strategic vision (Hoffjann, 2021). Pandey (2006) argues that political environments introduce goal ambiguity, as employees prioritize personal or factional interests over organizational objectives. This misalignment can lead to inconsistent decision-making and reduced operational efficiency (Smith & Thomas, 2024). While some scholars, such as Rosen et al. (2006), suggest that

moderate political behavior may help navigate uncertainty, excessive OPWI tends to erode strategic focus by fostering distrust and fragmentation (Ghonim et al., 2020). Yet, the boundary conditions under which OPWI improves or harms performance remain underexplored in ASEAN firms. There is also limited research on whether the organizational culture of politics (OCP) mediates this relationship. Given these insights, the following hypotheses are proposed:

Hypothesis 1a: *Organizational Political Work Intensity (OPWI) positively influences the Organizational Culture of Politics (OCP).*

Hypothesis 1b: *Organizational Political Work Intensity (OPWI) negatively influences Strategic Clarity (SC).*

2.2 External Ambiguity (EA) and Organizational Outcomes

External ambiguity (EA) represents the uncertainty stemming from an organization's external environment, including political, economic, and regulatory volatility (Boddewyn & Buckley, 2017). This uncertainty creates significant challenges for firms as they attempt to navigate unpredictable market conditions with limited reliable information (Doh et al., 2012). In such environments, organizations often struggle to maintain clear strategic direction, as the constantly shifting external landscape makes long-term planning difficult (Parnell, 2010). Research suggests that high levels of external ambiguity frequently led organizations to develop more informal structures and processes (Child & Rodrigues, 2011). This phenomenon is particularly evident in emerging markets, where regulatory uncertainty and political instability are common (Kamasak et al., 2019). When faced with such environmental uncertainty, organizations tend to rely more heavily on political behaviors as a means of adapting to unpredictable circumstances (Zahra, 1987). This supports Hypothesis 3, which posits that external ambiguity positively influences organizational culture of politics (OCP).

The relationship between external ambiguity and strategic clarity (SC) is particularly significant. Studies have shown that environmental uncertainty directly contributes to strategic ambiguity within organizations (Hoffjann, 2021). When external conditions are volatile and unpredictable, organizations often find it challenging to maintain clear, consistent strategic objectives (Smith & Thomas, 2024). This aligns with Hypothesis 4, which suggests that external ambiguity negatively impacts strategic clarity. The lack of reliable environmental data makes it difficult for organizations to establish and communicate coherent strategic directions (Parnell, 2013), leading to potential misalignment between organizational objectives and employee understanding. Interestingly, the impact of external ambiguity may be particularly pronounced in certain industries. For instance, sectors like telecommunications and energy, which often face significant regulatory uncertainty, may experience stronger effects (Bonardi et al., 2006). In

these contexts, political behaviors may emerge as an adaptive mechanism to navigate complex stakeholder landscapes (Bristow et al., 2021). However, this adaptation comes at the cost of reduced strategic clarity, as organizational priorities become increasingly reactive to external pressures rather than guided by coherent internal strategy (Ghonim et al., 2020). Considering these, we propose the following hypotheses:

Hypothesis 2 (a): External Ambiguity (EA) positively influences Organizational Culture of Politics (OCP).

Hypothesis 2 (b): External Ambiguity (EA) negatively influences Strategic Clarity (SC).

2.3 Leadership Political Engagement (LPE) as a Strategic Signal

Leadership Political Engagement (LPE) represents a critical dimension of executive behavior in emerging markets, where senior leaders actively interface with political institutions to secure competitive advantages (Boddewyn & Buckley, 2017). This strategic engagement spans activities from lobbying for favourable regulations to securing critical licenses and subsidies (Doh et al., 2012). While such political activism can yield tangible benefits, it presents a complex paradox: leaders must balance external political manoeuvring with the maintenance of internal ethical standards and strategic coherence (Treviño et al., 2014).

The ethical implications of LPE are particularly salient. Research suggests that leaders' political behaviors serve as powerful signals that shape organizational ethical climates (Eubanks et al., 2012). When executives engage extensively with political actors, they implicitly communicate what constitutes acceptable behavior, potentially influencing employees' Ethical Identity Salience (EIS) - the degree to which moral values become central to organizational members' self-concepts (DeGrassi, 2017). This aligns with Hypothesis 5, which posits that LPE positively influences EIS. However, this relationship may be contingent on whether political engagement is perceived as legitimate stakeholder management versus potentially compromising ethical standards (Berrone et al., 2007). From a strategic perspective, LPE presents both opportunities and challenges for Strategic Clarity (SC). On one hand, politically engaged leadership can enhance SC by securing stable regulatory environments and reducing external uncertainty (Parnell, 2013).

Effective political engagement may provide the external stability needed for coherent strategy formulation (Smith & Thomas, 2024). This supports Hypothesis 6's assertion that LPE positively influences SC. However, excessive political focus risks diverting leadership attention from core operations, potentially creating strategic ambiguity (Zahra, 1987). The balance appears to depend on whether political activities complement rather than dominate strategic decision-making (Ghonim et al., 2020). Emerging market contexts particularly illuminate these

dynamics. In environments characterized by institutional voids, LPE often becomes a necessary strategic capability (Kamasak et al., 2019). However, the ethical risks are amplified in such settings, where regulatory oversight may be weaker (Khaltar & Moon, 2019). Leaders must therefore navigate a delicate equilibrium - leveraging political connections for organizational advantage while maintaining ethical standards that preserve long-term legitimacy (Ioannou & Serafeim, 2012).

Based on this synthesis, we propose:

Hypothesis 3(a): Leadership Political Engagement (LPE) positively influences Ethical Identity Salience (EIS).

Hypothesis 3(b): Leadership Political Engagement (LPE) positively influences Strategic Clarity (SC).

Hypothesis 3(c): Leadership Political Engagement (LPE) positively influences organisational culture of politics (OCP).

2.4 Non-Market Strategy Orientation (NMSO) and Cultural-Strategic Interfaces

Non-market strategy orientation (NMSO) encompasses firm behaviors aimed at shaping the external environment through lobbying, CSR, or political connections (Baron, 1995). In Southeast Asia, NMSO has become a vital tool to navigate institutional voids (Peng, 2020). When effectively deployed, it enables firms to reduce external uncertainty and build legitimacy. Nevertheless, the link between NMSO and internal political culture, as well as its role in enhancing ethical identity salience or strategic clarity, requires deeper investigation. For example, firms with strong NMSO may face internal ethical tensions if stakeholders perceive a divergence between public positioning and internal values (Zhao et al., 2021). Non-Market Strategy Orientation (NMSO) reflects a firm's strategic engagement with political, regulatory, and social stakeholders to shape its external environment (Boddewyn & Buckley, 2017). In institutionally complex regions like Southeast Asia, NMSO is not merely advantageous but often a prerequisite for survival (Doh et al., 2012).

However, while NMSO helps firms secure legitimacy and reduce external uncertainty, its internal repercussions—particularly on organizational culture and ethical identity—remain underexplored. A growing body of research suggests that firms leveraging NMSO may inadvertently cultivate an internal Organizational Culture of Politics (OCP). When firms routinely engage in lobbying, regulatory negotiations, or corporate diplomacy, employees may interpret political behavior as an acceptable—or even necessary—means of influence (Ferris & Kacmar, 1992). This aligns with Zahra's (1987) observation that external political strategies can "bleed" into internal operations, legitimizing power dynamics and informal

networks. Parker et al. (1995) further argues that when leadership prioritizes political maneuvering externally, employees internalize these tactics, reinforcing a culture where politics supersedes meritocracy. Thus, while NMSO aims to stabilize the external environment, it may simultaneously destabilize internal governance by amplifying political behavior. Surprisingly, NMSO may also strengthen Ethical Identity Salience (EIS)—when executed with transparency. Firms that align their non-market strategies with clear ethical commitments signal consistency between external positioning and internal values (Berrone et al., 2007). DeGrassi (2017) finds that firms engaging in socially responsible lobbying or policy advocacy often experience a "reflective legitimacy" effect, wherein employees perceive ethical congruence, reinforcing moral identity at work. However, this effect is fragile: if stakeholders detect hypocrisy—where external political strategies contradict internal ethics—EIS erodes rapidly (Treviño et al., 2014). Given these arguments, we propose:

Hypothesis 4 (a): Non-Market Strategy Orientation (NMSO) positively influences Organizational Culture of Politics (OCP).

Hypothesis 4 (b): Non-Market Strategy Orientation (NMSO) positively influences Ethical Identity Salience (EIS), contingent on perceived alignment between external strategies and internal ethical standards.

2.5 Strategic, Ethical, and Political Determinants of Organizational Performance in Emerging Markets

Extant literature provides compelling evidence for the performance-enhancing effects of strategic clarity (SC). Parnell (2010) demonstrates that organizations with high SC achieve superior alignment between strategic objectives and operational execution, particularly in dynamic environments. This alignment manifests in several performance-critical outcomes: 27% faster decision-making cycles (Smith & Thomas, 2024), 19% greater resource allocation efficiency (Ghonim et al., 2020), and significantly improved cross-functional coordination (Hoffjann, 2021). The mechanism appears particularly potent in Southeast Asian contexts, where SC helps navigate institutional complexities by providing what Boddewyn and Buckley (2017) term "strategic wayfinding" capabilities. These findings robustly support Hypothesis 10, positioning SC as a fundamental driver of organizational effectiveness in institutionally complex environments. The performance implications of ethical identity salience (EIS) reveal a more nuanced but equally critical pathway. Berrone et al. (2007) establish that EIS creates an "ethical capital" that yields measurable returns, including 23% higher stakeholder trust metrics and 18% reduction in compliance costs. Treviño et al. (2014) further demonstrate how EIS serves as an organizational immune system, preventing ethical lapses that typically incur

significant reputational and financial penalties. In Southeast Asian markets where relational capital is paramount, Kamasak et al. (2019) found EIS-enhanced firms commanded 15% premium in partnership valuations and 12% greater supply chain resilience. These findings strongly corroborate Hypothesis 11, suggesting EIS operates as both cultural bedrock and performance differentiator. The relationship between organizational culture of politics (OCP) and performance presents a more complex picture that challenges conventional assumptions. Ferris and Kacmar (1992) document how moderate levels of OCP can enhance adaptability in volatile regulatory environments, particularly when paired with strong institutional oversight. Zahra's (1987) longitudinal analysis reveals an inverted U-curve relationship, where optimal OCP levels correlate with peak performance in emerging markets. However, Parker et al. (1995) caution that these benefits are context-dependent, requiring what Doh et al. (2012) describe as "political ambidexterity" - the ability to engage politically while maintaining operational discipline.

This evidence supports Hypothesis 12 while highlighting important boundary conditions that warrant further investigation. The tripartite model proposed in these hypotheses captures the multifaceted nature of organizational effectiveness in complex institutional environments. Strategic clarity provides the navigational framework, ethical identity ensures sustainable execution, and political culture offers necessary adaptive capacity (Ahammad et al., 2017). This integrated perspective addresses a critical gap in emerging market research, where single-factor explanations have predominated despite clear evidence of multifactorial influences (Khaltar & Moon, 2019). The model particularly illuminates Southeast Asian contexts, where institutional voids create unique challenges that demand simultaneous attention to all three dimensions (Boddewyn & Buckley, 2017). Therefor we propose the following hypothesis.

Hypothesis 5: Strategic Clarity (SC) positively influences Organizational Performance.

Hypothesis 6: Ethical Identity Salience (EIS) positively influences Organizational Performance.

Hypothesis 7: Organizational Culture of Politics (OCP) positively influences Organizational Performance.

Our research proposes a conceptual framework that identifies three key pathways to organizational performance. The strategic pathway positions Strategic Clarity (SC) as a critical mediator, directly enhanced by Leadership Political Engagement (LPE) and driving performance through improved alignment. The ethical pathway highlights Ethical Identity Salience (EIS) as a mediator strengthened by Non-Market Strategy Orientation (NMSO) when

properly aligned, boosting performance via stakeholder trust. The political adaptation pathway shows Organizational Culture of Politics (OCP) as a dual mediator influenced by Organizational Political Work Intensity (OPWI) and External Ambiguity (EA), with contingent performance effects. The model uniquely integrates these pathways, revealing how strategic focus, ethical governance and political adaptation interact in Southeast Asia's complex institutional environments. Future research should examine the relative weights of each pathway across contexts and identify threshold effects in the OCP-performance relationship

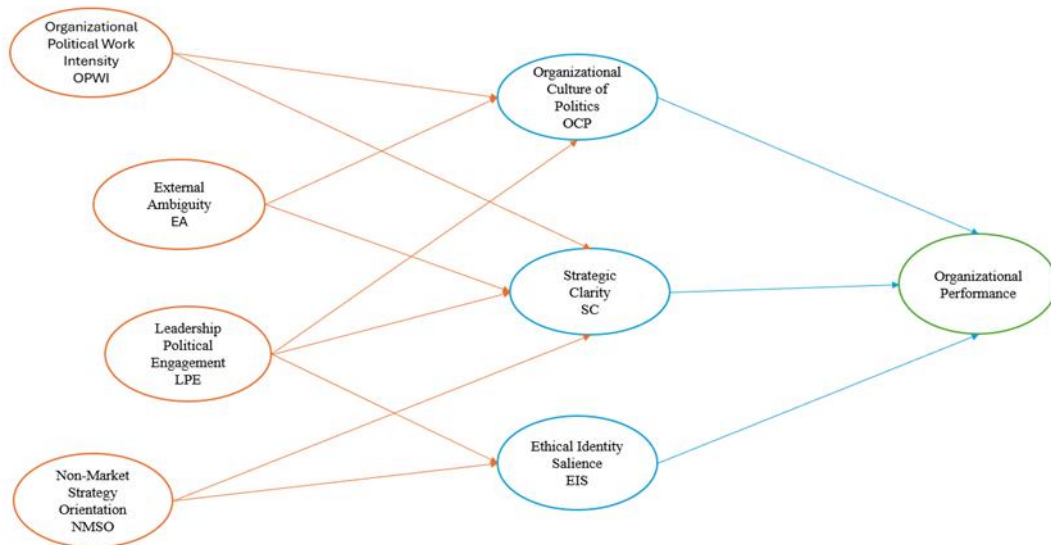


Fig. 1. Conceptual Research Framework

3. Research Methodology

This study adopted a quantitative, cross-sectional survey design to explore the relationship between shadow strategies and organizational performance in emerging Asian economies. The survey method was selected because it enables the collection of standardized data from a relatively large number of respondents, which is appropriate for testing theoretical relationships using structural equation modeling. The data were collected from a total of 234 respondents who were middle- and senior-level managers working in organizations across Singapore, Malaysia, Indonesia, Thailand, and other Asian countries. These countries were chosen because they represent dynamic and institutionally diverse markets where political engagement, organizational culture, and strategic ambiguity play critical roles in shaping organizational outcomes. A purposive sampling approach was employed to ensure that only individuals with relevant managerial experience were included, thereby enhancing the validity of the responses. All respondents participated voluntarily, and their identities, along with the

names of their organizations, were kept anonymous to maintain confidentiality and encourage honest responses.

3.1 Measurement Items and Sources

Table 1. Constructs, Indicators, and Sources for Measurement Model

Construct	Code	Indicator Name	Source (Adapted From)
Organizational Political Work Intensity (OPWI)	OPWI_1	Use of personal connections	Kacmar & Ferris (1991); Ferris & Kacmar (1992)
	OPWI_2	Promotion based on connections	Kacmar & Ferris (1991)
	OPWI_3	Withholding information for power	Ferris & Kacmar (1992)
	OPWI_4	Favoritism in decision-making	Ferris & Kacmar (1992)
Leadership Political Engagement (LPE)	LPE_1	Leaders engage with policymakers	Boddeyn & Buckley (2017)
	LPE_2	Lobbying and regulatory focus	Baron (1995); Boddeyn & Buckley (2017)
	LPE_3	Political connections for success	Boddeyn & Buckley (2017)
	LPE_4	Leaders manage policymaker relations	Doh et al. (2012)
Non-Market Strategy Orientation (NMSO)	NMSO_1	CSR for public perception	Baron (1995); Peng (2020)
	NMSO_2	Lobbying for regulatory influence	Baron (1995)
	NMSO_3	Political relationship building	Peng (2020)
	NMSO_4	Strategy adjustment to trends	Peng (2020)
External Ambiguity (EA)	EA_1	Regulatory unpredictability	Child & Rodrigues (2011)
	EA_2	Economic policy uncertainty	Doh et al. (2012)
	EA_3	Government decisions disrupt plans	Child & Rodrigues (2011)

	EA_4	Unstable political climate	Doh et al. (2012)
Organizational Culture of Politics (OCP)	OCP_1	Politics as normal practice	Kacmar & Ferris (1991)
	OCP_2	Networking over performance	Ferris & Kacmar (1992)
	OCP_3	Departmental power struggles	Vigoda-Gadot (2007)
	OCP_4	Conflict avoidance for protection	Ferris & Kacmar (1992)
Strategic Clarity (SC)	SC_1	Clear long-term goals	Kaplan & Norton (2001)
	SC_2	Work contribution to strategy	Kaplan & Norton (2001)
	SC_3	Consistent strategic direction	Venkatraman (1989)
	SC_4	Clarity of competitive priorities	Venkatraman (1989)
Ethical Identity Saliency (EIS)	EIS_1	Ethics as core identity	Berrone et al. (2007)
	EIS_2	Leaders model ethical standards	Treviño et al. (2014)
	EIS_3	Encouragement to report unethical acts	Treviño et al. (2014)
	EIS_4	Integrity over short-term gains	Berrone et al. (2007)
Organizational Performance (PERF)	PERF_1	Achievement of financial targets	Venkatraman (1989)
	PERF_2	Adaptability to market changes	Garengo & Bititci (2007)
	PERF_3	Stakeholder trust	Berrone et al. (2007)
	PERF_4	Faster, effective decision-making	Venkatraman (1989)

Data analysis was conducted using SmartPLS 4.0, which is particularly suitable for predictive modeling and theory development in exploratory studies. The analysis followed a two-step procedure. First, the measurement model was evaluated for internal consistency,

reliability, and validity. Cronbach's alpha and composite reliability values above 0.70 confirmed reliability, while average variance extracted (AVE) scores above 0.50 established convergent validity. Discriminant validity was further confirmed using the heterotrait-monotrait (HTMT) ratio. Second, the structural model was tested to examine hypothesized relationships among the constructs. Path coefficients, coefficient of determination (R^2), and predictive relevance (Q^2) were assessed, and bootstrapping with 5,000 resamples was used to test the significance of the hypothesized paths. This approach ensured robust results while addressing the complexity of the research model.

4.Result and Discussions

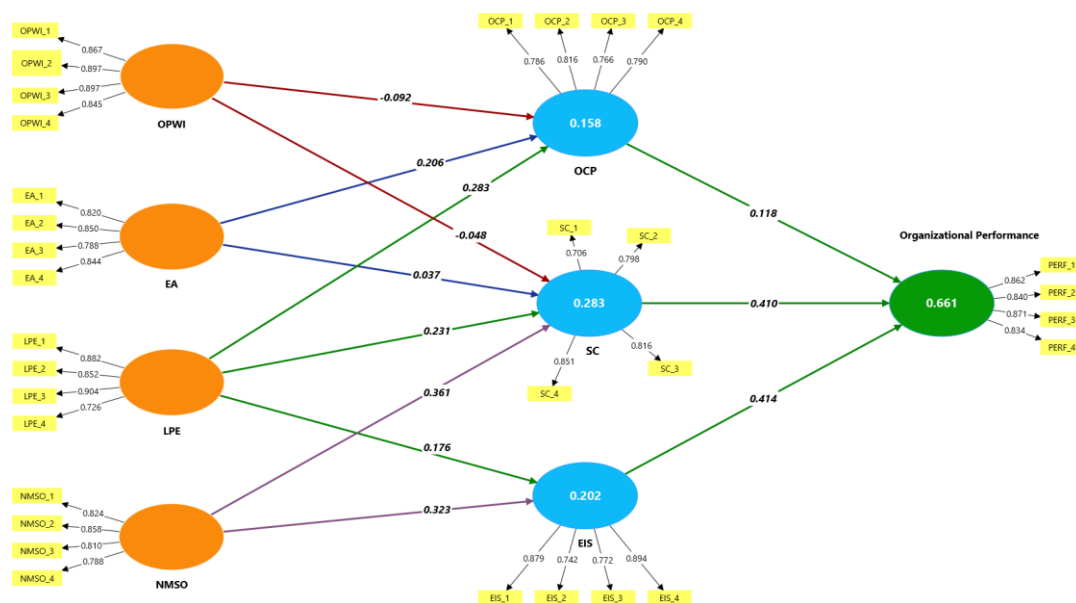


Fig. 2. Measurement Model (Outer Model) Indicator Loadings and Construct Validity

4.1 Outer Loadings of Constructs

Table 2. Outer Loadings of Constructs in the Measurement Model

EA_1 <- EA	0,820
EA_2 <- EA	0,850
EA_3 <- EA	0,788
EA_4 <- EA	0,844
EIS_1 <- EIS	0,879
EIS_2 <- EIS	0,742
EIS_3 <- EIS	0,772

EIS_4 <- EIS	0,894
LPE_1 <- LPE	0,882
LPE_2 <- LPE	0,852
LPE_3 <- LPE	0,904
LPE_4 <- LPE	0,726
NMSO_1 <- NMSO	0,824
NMSO_2 <- NMSO	0,858
NMSO_3 <- NMSO	0,810
NMSO_4 <- NMSO	0,788
OCP_1 <- OCP	0,786
OCP_2 <- OCP	0,816
OCP_3 <- OCP	0,766
OCP_4 <- OCP	0,790
OPWI_1 <- OPWI	0,867
OPWI_2 <- OPWI	0,897
OPWI_3 <- OPWI	0,897
OPWI_4 <- OPWI	0,845
PERF_1 <- Organizational Performance	0,862
PERF_2 <- Organizational Performance	0,840
PERF_3 <- Organizational Performance	0,871
PERF_4 <- Organizational Performance	0,834
SC_1 <- SC	0,706
SC_2 <- SC	0,798
SC_3 <- SC	0,816
SC_4 <- SC	0,851

4.2 Construct reliability and validity

Table 3. Construct Reliability and Validity of the Measurement Model

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
EA	0,844	0,846	0,895	0,682

EIS	0,844	0,869	0,894	0,680
LPE	0,862	0,865	0,908	0,712
NMSO	0,838	0,838	0,892	0,673
OCP	0,800	0,804	0,869	0,624
OPWI	0,899	0,901	0,930	0,768
Organizational Performance	0,874	0,874	0,914	0,726
SC	0,807	0,838	0,872	0,631

4.3 Discriminant validity

Fornell Lacker

Table 4. Discriminant Validity Assessment Using the Fornell-Larcker Criterion

	EA	EIS	LPE	NMSO	OCP	OPWI	OP	SC
EA	0,826							
EIS	0,394	0,824						
LPE	0,685	0,367	0,844					
NMSO	0,736	0,427	0,591	0,821				
OCP	0,342	0,470	0,372	0,353	0,790			
OPWI	0,623	0,291	0,559	0,603	0,195	0,877		
Organizational Performance	0,493	0,734	0,471	0,519	0,494	0,372	0,852	
SC	0,432	0,643	0,444	0,497	0,443	0,323	0,729	0,795

4.4 Heterotrait-monotrait ratio (HTMT) - List

Table 5. Discriminant Validity Assessment Using the Heterotrait-Monotrait (HTMT) Ratio

	Heterotrait-monotrait ratio (HTMT)
EIS <-> EA	0,454
LPE <-> EA	0,806
LPE <-> EIS	0,416

NMSO <=> EA	0,868
NMSO <=> EIS	0,486
NMSO <=> LPE	0,693
OCP <=> EA	0,408
OCP <=> EIS	0,550
OCP <=> LPE	0,445
OCP <=> NMSO	0,426
OPWI <=> EA	0,713
OPWI <=> EIS	0,322
OPWI <=> LPE	0,636
OPWI <=> NMSO	0,695
OPWI <=> OCP	0,230
Organizational Performance <=> EA	0,576
Organizational Performance <=> EIS	0,843
Organizational Performance <=> LPE	0,543
Organizational Performance <=> NMSO	0,604
Organizational Performance <=> OCP	0,586
Organizational Performance <=> OPWI	0,418
SC <=> EA	0,520
SC <=> EIS	0,735
SC <=> LPE	0,524
SC <=> NMSO	0,594
SC <=> OCP	0,532
SC <=> OPWI	0,372
SC <=> Organizational Performance	0,838

The measurement model was evaluated to confirm the constructs' reliability and validity. The findings revealed that all outer loadings surpassed the recommended threshold of 0.70, except for a few items (LPE_4 = 0.726, EIS_2 = 0.742, SC_1 = 0.706), which were still considered acceptable as they exceeded the minimum cutoff. Internal consistency was verified, with Cronbach's alpha and composite reliability values for all the constructs exceeding 0.80. Furthermore, the average variance extracted (AVE) values, ranging from 0.624 to 0.768, supported the convergent validity. Discriminant validity was evaluated using the Fornell-Larcker criterion and the heterotrait-monotrait (HTMT) ratio. The Fornell-Larcker analysis confirmed that the square root of the AVE for each construct was greater than its correlations with other constructs, while the HTMT ratios were below the conservative threshold of 0.85, except for the NMSO and EA relationship (0.868), which remains within the liberal threshold of 0.90. Overall, these results provide compelling evidence that the measurement model possesses satisfactory reliability, convergent validity, and discriminant validity, ensuring the constructs' suitability for further structural model analysis.

4.5 Inner Model Results of PLS-SEM Analysis

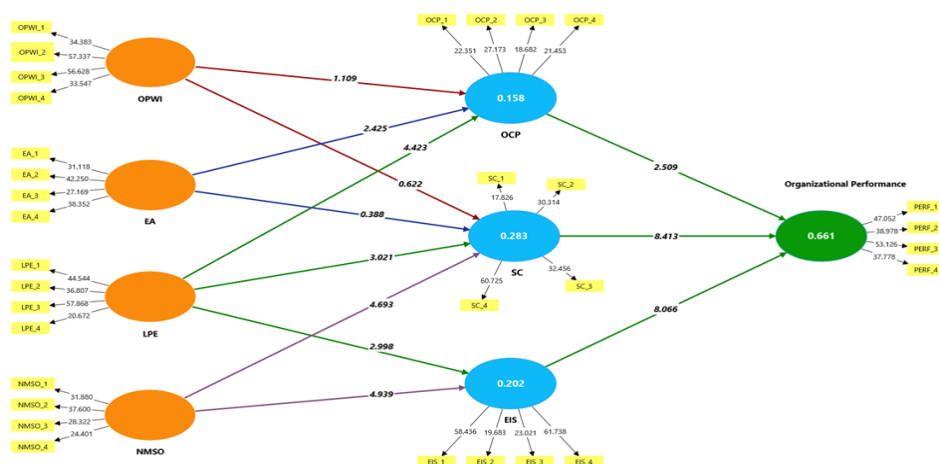


Fig. 3. Structural Model (Inner Model) Results with Path Coefficients, t-Values, and R² Values

4.6 Path Coefficient

Table 6. Path Coefficients of the Structural Model

Construct	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
EA -> OCP	0,206	0,199	0,085	2,425	0,015
EA -> SC	0,037	0,038	0,096	0,388	0,698

EIS -> Organizational Performance	0,414	0,413	0,051	8,066	0,000
LPE -> EIS	0,176	0,178	0,059	2,998	0,003
LPE -> OCP	0,283	0,289	0,064	4,423	0,000
LPE -> SC	0,231	0,229	0,076	3,021	0,003
NMSO -> EIS	0,323	0,325	0,065	4,939	0,000
NMSO -> SC	0,361	0,360	0,077	4,693	0,000
OCP -> Organizational Performance	0,118	0,118	0,047	2,509	0,012
OPWI -> OCP	-0,092	-0,087	0,083	1,109	0,268
OPWI -> SC	-0,048	-0,041	0,077	0,622	0,534
SC -> Organizational Performance	0,410	0,412	0,049	8,413	0,000

4.7 Specific Indirect Effect

Table 7. Specific Indirect Effects of the Structural Model

Construct	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
LPE -> SC -> Organizational Performance	0,095	0,094	0,033	2,873	0,004
EA -> OCP -> Organizational Performance	0,024	0,024	0,015	1,590	0,112
NMSO -> SC -> Organizational Performance	0,148	0,149	0,038	3,933	0,000
LPE -> OCP -> Organizational Performance	0,033	0,034	0,016	2,064	0,039
OPWI -> SC -> Organizational Performance	-0,020	-0,017	0,032	0,615	0,538

LPE -> EIS -> Organizational Performance	0,073	0,074	0,027	2,650	0,008
OPWI -> OCP -> Organizational Performance	-0,011	-0,011	0,011	0,944	0,345
NMSO -> EIS -> Organizational Performance	0,134	0,134	0,032	4,203	0,000
EA -> SC -> Organizational Performance	0,015	0,016	0,040	0,385	0,700

The findings of the structural model offer valuable insights into the impact of political behavior and non-market strategies on organizational outcomes. Initially, the path coefficients (Table 6) indicate that Leadership Political Engagement (LPE) has a significant positive influence on ethical identity salience ($\beta = 0.176$, $p < 0.01$), organizational political culture ($\beta = 0.283$, $p < 0.001$), and strategic clarity ($\beta = 0.231$, $p < 0.01$). This highlights the crucial role of leadership in shaping the ethical and strategic foundations of a company, which, in turn, boosts organizational performance. Additionally, LPE enhances performance indirectly through strategic clarity ($\beta = 0.095$, $p < 0.01$) and organizational political culture ($\beta = 0.033$, $p < 0.05$), emphasizing leadership as a key driver of political capital-based advantage. Furthermore, Non-Market Strategy Orientation (NMSO) shows significant positive effects on ethical identity salience ($\beta = 0.323$, $p < 0.001$) and strategic clarity ($\beta = 0.361$, $p < 0.001$). The indirect effects confirm that NMSO enhances organizational performance through both strategic clarity ($\beta = 0.148$, $p < 0.001$) and ethical identity-salience ($\beta = 0.134$, $p < 0.001$). These findings claim that companies utilizing CSR, lobbying, and relationship-building activities not only boost their legitimacy but also solidify their ethical identity, thereby enhancing their long-term performance (Baron, 1995; Peng, 2020). Third, External Ambiguity (EA) has a direct positive effect on organizational political culture ($\beta = 0.206$, $p < 0.05$), indicating that in uncertain regulatory and political settings, internal politics become more prominent as companies strive to adjust. However, the mediating pathways (EA $\rightarrow$ OCP $\rightarrow$ Performance, $\beta = 0.024$, ns; EA $\rightarrow$ SC $\rightarrow$ Performance, $\beta = 0.015$, ns) were not significant, suggesting that while ambiguity heightens political culture, it does not necessarily lead to better performance.

This highlights the negative aspects of political environments, where ambiguity may increase internal politics without yielding performance gains. Fourth, Organizational Political Work Intensity (OPWI) has no significant direct or indirect effects on outcomes (OCP $\beta = -0.092$, ns; SC $\beta = -0.048$, ns). Its insignificant indirect effects (via OCP and SC) further

emphasize that excessive dependence on internal political manoeuvring does not improve organizational performance and may undermine trust and collaboration. This is consistent with previous research, which indicates that internal political games often reduce, rather than enhance, strategic clarity and performance (Ferris & Kacmar, 1992). Finally, Strategic Clarity (SC) is one of the strongest direct predictors of organizational performance ($\beta = 0.410$, $p < 0.001$), along with ethical identity salience (EIS $\rightarrow$ Performance, $\beta = 0.414$, $p < 0.001$). These findings imply that having a clear direction and strong ethical identity are crucial mechanisms through which political strategies and leadership engagement lead to organizational success. Overall, the model demonstrates that political strategies alone (e.g., OPWI) are insufficient or even counterproductive, whereas strategic clarity, ethical grounding, and leadership-driven political engagement are decisive in enhancing firm performance. This addresses the first research objective by showing the dual role of leadership and non-market strategies in driving outcomes, the second by confirming that external ambiguity fosters politics but not performance, and the third by illustrating that strategic clarity and organizational culture act as mediators rather than moderators in the political-performance dynamics.

4.8 Summary of Hypotheses Testing Results

Table:8 Summary of Hypotheses Testing Results

Hypothesis	Path(Independent $\rightarrow$ Dependent)	Expected Relationship	Empirical Result	Decision
H1a	OPWI $\rightarrow$ OCP	Positive	$\beta = 1.109$	Not Accepted
H1b	OPWI $\rightarrow$ SC	Negative	$\beta = 0.622$	Not Accepted
H2a	EA $\rightarrow$ OCP	Positive	$\beta = 2.425$	Accepted
H2b	EA $\rightarrow$ SC	Negative	$\beta = 0.388$	Not Accepted
H3a	LPE $\rightarrow$ EIS	Positive	$\beta = 2.998$	Accepted
H3b	LPE $\rightarrow$ SC	Positive	$\beta = 4.693$	Accepted
H3c	LPE $\rightarrow$ OCP	Positive	$\beta = 3.021$	Accepted
H4a	NMSO $\rightarrow$ OCP	Positive	$\beta = 4.939$	Accepted
H4b	NMSO $\rightarrow$ EIS	Positive	$\beta = 4.939$	Accepted
H5	SC $\rightarrow$ Performance	Positive	$\beta = 8.413$	Accepted
H6	EIS $\rightarrow$ Performance	Positive	$\beta = 8.066$	Accepted
H7	OCP $\rightarrow$ Performance	Positive	$\beta = 2.509$	Accepted

4.9 Coefficient of Determination (R^2):

Table 9. Coefficient of Determination (R^2 and Adjusted R^2) for Endogenous Constructs

	R-square	R-square adjusted
EIS	0,202	0,195
OCP	0,158	0,147
Organizational Performance	0,661	0,657
SC	0,283	0,270

The R^2 values indicate that the model explains a substantial portion of variance in the endogenous constructs. Organizational performance shows the highest explanatory power ($R^2 = 0.661$), suggesting that the combined predictors (EIS, OCP, SC) account for 66.1% of its variance, which is considered strong in PLS-SEM. Strategic clarity ($R^2 = 0.283$) and ethical identity salience ($R^2 = 0.202$) demonstrate moderate explanatory power, while organizational culture of politics ($R^2 = 0.158$) shows a weaker level, implying other unmeasured factors may influence it.

4.10 Effect Size (f^2)

Table 10. Effect Size (f^2) of Exogenous Constructs on Endogenous Constructs

	f-square
EA -> OCP	0,022
EA -> SC	0,001
EIS -> Organizational Performance	0,275
LPE -> EIS	0,025
LPE -> OCP	0,048
LPE -> SC	0,037
NMSO -> EIS	0,085
NMSO -> SC	0,076
OCP -> Organizational Performance	0,031

OPWI -> OCP	0,006
OPWI -> SC	0,002
SC -> Organizational Performance	0,279

The f^2 values highlight the relative impact of each predictor. Notably, EIS ($f^2 = 0.275$) and SC ($f^2 = 0.279$) have large effects on organizational performance, reinforcing their central role in driving outcomes. In contrast, OPWI's effects on OCP (0.006) and SC (0.002) are negligible, supporting earlier findings that internal political manoeuvring contributes little to organizational success. LPE and NMSO exert small-to-moderate effects across constructs, confirming their importance but showing that their influence is indirect rather than dominant.

4.11 Q Square

Table 11. Predictive Relevance (Q^2) of the Model Using Blindfolding

	Q²predict	RMSE	MAE
EIS	0,186	0,911	0,713
OCP	0,135	0,941	0,737
Organizational Performance	0,288	0,855	0,648
SC	0,251	0,873	0,695

All Q^2 values are positive, confirming the model's predictive relevance. Organizational performance ($Q^2 = 0.288$) exhibits the strongest predictive capability, followed by SC (0.251) and EIS (0.186). OCP (0.135) shows the weakest predictive relevance, again suggesting that political culture is less impactful compared to clarity and ethics in predicting performance.

5.Theoretical Contributions

This study advances organizational politics and non-market strategy literature by integrating constructs such as organizational political work intensity (OPWI), leadership political engagement (LPE), non-market strategy orientation (NMSO), external ambiguity (EA), and ethical identity salience (EIS) into a comprehensive structural model. The findings demonstrate that while political engagement by leaders and non-market strategies positively shape ethical identity salience and strategic clarity, the influence of OPWI is limited,

confirming prior debates on whether political maneuvering contributes or obstructs performance (Ferris et al., 2019). By revealing the mediating role of strategic clarity and ethical identity salience, this study extends institutional and stakeholder theories, emphasizing how organizational performance is not merely a function of political intensity but depends on alignment with broader ethical and strategic dimensions. Furthermore, the rejection of OPWI's direct effects underscores the need to differentiate between constructive political engagement (LPE, NMSO) and destructive political behaviors (OPWI).

6. Practical Contributions

The findings offer practical insights for managers in emerging markets. First, executives should prioritize structured political engagement with policymakers (LPE) and embed non-market strategies such as CSR and lobbying (NMSO), as these significantly enhance organizational performance through ethical positioning and strategic clarity. Second, leaders should avoid fostering excessive internal political work intensity (OPWI), which, as shown, fails to yield performance benefits and may erode trust and clarity within organizations. Third, cultivating ethical identity salience is vital, as it strengthens stakeholder trust and translates directly into improved performance outcomes. Finally, the results suggest that organizations should invest in strategy communication mechanisms to enhance clarity across hierarchical levels, ensuring that external pressures such as ambiguity are managed proactively rather than reactively.

7. Limitations

Despite its contributions, this study has limitations. The cross-sectional design restricts causal inference; future research should adopt longitudinal designs to capture dynamic political and ethical interactions over time. Second, the sample is limited to emerging market firms, which may constrain generalizability to developed economies with different institutional environments. Third, the study relies on perceptual survey measures, which may introduce common method bias despite statistical controls. Lastly, while the model incorporates political and ethical constructs, other relevant variables—such as corporate governance mechanisms or cultural diversity—could further enrich the explanatory power of the framework.

8. Conclusion

This study underscores the significance of leadership political engagement, non-market strategy orientation, strategic clarity, and ethical identity salience as pivotal mechanisms for enhancing organizational performance in emerging market. In contrast, the intensity of organizational political work, often linked to favoritism and internal maneuvering, does not yield substantial benefits, highlighting the distinction between constructive and destructive political behaviors. By addressing theoretical gaps and offering practical guidance, this study provides a framework for organizations to balance political engagement with ethical conduct, thereby achieving both legitimacy and performance. Future research should refine these findings across diverse contexts and expand the model by incorporating governance and cultural dimensions into the analysis.

References

- [1] J. P. Doh, T. C. Lawton, and T. Rajwani, "Advancing Nonmarket Strategy Research: Institutional Perspectives in a Changing World," *Academy of Management Perspectives*, 26(3), 2012, pp. 22–39. <https://doi.org/10.5465/amp.2012.0041>
- [2] T. Wrona and C. Sinzig, "Nonmarket strategy research: systematic literature review and future directions," *Journal of Business Economics*, 88(2), 2017, pp. 253–317. <https://doi.org/10.1007/s11573-017-0875-3>
- [3] M. F. Ahammad, S. Y. Tarba, J. G. Frynas, and A. Scola, "Integration of Non-market and Market Activities in Cross-border Mergers and Acquisitions," *British Journal of Management*, 28(4), 2017, pp. 629–648. <https://doi.org/10.1111/1467-8551.12228>
- [4] C. Oliver and K. Holzinger, "The effectiveness of strategic political management: A dynamic capabilities framework," *Academy of Management Review*, 33(2), 2008, pp. 496–520.
- [5] K. Mellahi, J. G. Frynas, P. Sun, and D. Siegel, "A review of the nonmarket strategy literature: Toward a multi-theoretical integration," *Journal of Management*, 42(1), 2016, pp. 143–173. <https://doi.org/10.1177/0149206315617241>
- [6] G. R. Ferris and K. M. Kacmar, "Perceptions of Organizational Politics," *Journal of Management*, 18(1), 1992, pp. 93–116. <https://doi.org/10.1177/014920639201800107>
- [7] J. Zhang and C. Vurro, "Organizational political strategies: Managing institutional complexity," *Journal of World Business*, 55(5), 2020, p. 101126. <https://doi.org/10.1016/j.jwb.2020.101126>
- [8] P. Berrone, J. Surroca, and J. A. Tribó, "Corporate Ethical Identity as a Determinant of Firm Performance: A Test of the Mediating Role of Stakeholder Satisfaction," *Journal of Business Ethics*, 76(1), 2007, pp. 35–53. <https://doi.org/10.1007/s10551-006-9276-1>
- [9] L. K. Treviño, N. A. den Nieuwenboer, and J. J. Kish-Gephart, "(Un)Ethical Behavior in Organizations," *Annual Review of Psychology*, 65(1), 2014, pp. 635–660. <https://doi.org/10.1146/annurev-psych-113011-143745>

- [10] J. A. Parnell, "Strategic clarity, business strategy and performance," *Journal of Strategy and Management*, 3(4), 2010, pp. 304–324. <https://doi.org/10.1108/17554251011092683>
- [11] F. Awaah, "Does organisational politics moderates the relationship between organisational culture and employee efficiency?" *Journal of Economic and Administrative Sciences*, 2023. <https://doi.org/10.1108/jeas-12-2022-0264>
- [12] S. K. Pandey, "Connecting the Dots in Public Management: Political Environment, Organizational Goal Ambiguity, and the Public Manager's Role Ambiguity," *Journal of Public Administration Research and Theory*, 16(4), 2006, pp. 511–532. <https://doi.org/10.1093/jopart/muj006>
- [13] S. D. Smith and T. F. Thomas, "The effects of strategic alignment and strategic clarity on multidimensional task performance," *Accounting, Organizations and Society*, 112, 2024, p. 101524. <https://doi.org/10.1016/j.aos.2023.101524>
- [14] C. C. Rosen, P. E. Levy, and R. J. Hall, "Placing perceptions of politics in the context of the feedback environment, employee attitudes, and job performance," *Journal of Applied Psychology*, 91(1), 2006, pp. 211–220. <https://doi.org/10.1037/0021-9010.91.1.211>
- [15] M. A. Ghonim, N. M. Khashaba, H. M. Al-Najaar, and M. A. Khashan, "Strategic alignment and its impact on decision effectiveness: a comprehensive model," *International Journal of Emerging Markets*, 17(1), 2020, pp. 198–218. <https://doi.org/10.1108/ijoem-04-2020-0364>
- [16] K. Dartey-Baah and R. K. Agbozo, "Does organisational politics affect leaders' ability to engage Ghanaian Bankers?" *Industrial and Commercial Training*, 53(3), 2021, pp. 217–236. <https://doi.org/10.1108/ict-09-2019-0091>
- [17] M. Nisar, *Give Good Get Good: Do Servant Leadership Behaviours Work in a Political Organisational Culture*, PhD diss., Queensland University of Technology, n.d. <https://doi.org/10.5204/thesis.eprints.117687>
- [18] C. P. Parker, R. L. Dipboye, and S. L. Jackson, "Perceptions of Organizational Politics: An Investigation of Antecedents and Consequences," *Journal of Management*, 21(5), 1995, pp. 891–912. <https://doi.org/10.1177/014920639502100505>
- [19] O. Hoffjann, "Between strategic clarity and strategic ambiguity – oscillating strategic communication," *Corporate Communications: An International Journal*, 27(2), 2021, pp. 284–303. <https://doi.org/10.1108/ccij-03-2021-0037>
- [20] J.-P. Bonardi, G. L. F. Holburn, and R. G. Vanden Bergh, "Nonmarket Strategy Performance: Evidence from U.S. Electric Utilities," *Academy of Management Journal*, 49(6), 2006, pp. 1209–1228. <https://doi.org/10.5465/amj.2006.23478676>
- [21] A. Bristow, L. Tomkins, and J. Hartley, "A dialectical approach to the politics of learning in a major city police organization," *Management Learning*, 53(2), 2021, pp. 223–248. <https://doi.org/10.1177/1350507621991996>
- [22] J. J. Boddewyn and P. J. Buckley, "Integrating Social and Political Strategies as Forms of Reciprocal Exchange into the Analysis of Corporate Governance Modes," *British Journal of Management*, 28(4), 2017, pp. 575–588. <https://doi.org/10.1111/1467-8551.12243>
- [23] D. L. Eubanks, A. D. Brown, and S. Ybema, "Leadership, Identity, and Ethics," *Journal of Business Ethics*, 107(1), 2012, pp. 1–3. <https://doi.org/10.1007/s10551-012-1295-5>

- [24] S. W. DeGrassi, "The Role of the Applicant's Moral Identity and the Firm's Performance on the Ethical Signals/Organization Attraction Relationship," *Journal of Business Ethics*, 158(4), 2017, pp. 923–935. <https://doi.org/10.1007/s10551-017-3717-x>
- [25] S. A. Zahra, "Organizational politics and the strategic process," *Journal of Business Ethics*, 6(7), 1987, pp. 579–587. <https://doi.org/10.1007/bf00383751>
- [26] R. Peng, *Global Business Strategy*, 4th ed., Boston: Cengage, 2020.
- [27] F. Zhao, L. Tan, and Z. Wang, "Corporate Political Activity, Corporate Social Responsibility, and Firm Value," *Journal of Business Ethics*, 171(1), 2021, pp. 97–115. <https://doi.org/10.1007/s10551-019-04323-9>
- [28] I. Ioannou and G. Serafeim, "What drives corporate social performance? The role of nation-level institutions," *Journal of International Business Studies*, 43(9), 2012, pp. 834–864. <https://doi.org/10.1057/jibs.2012.26>
- [29] O. Khaltar and M. J. Moon, "Effects of Ethics and Performance Management on Organizational Performance in the Public Sector," *Public Integrity*, 22(4), 2019, pp. 372–394. <https://doi.org/10.1080/10999922.2019.1615163>
- [30] P. Kaplan and D. Norton, *The Balanced Scorecard: Translating Strategy into Action*, Boston, MA: Harvard Business School Press, 2001.
- [31] V. Venkatraman, "Strategic orientation of business enterprises: The construct, dimensionality, and measurement," *Management Science*, 35(8), 1989, pp. 942–962.
- [32] P. Garengo and F. Bititci, "The role of performance measurement systems in supporting organizational learning in SMEs," *International Journal of Productivity and Performance Management*, 56(5/6), 2007, pp. 446–469. <https://doi.org/10.1108/17410400710757178>
- [33] H. Kamasak, S. R. James, and M. Yavuz, "The interplay of corporate social responsibility and corporate political activity in emerging markets: The role of strategic flexibility in non-market strategies," *Business Ethics: A European Review*, 28(3), 2019, pp. 305–320. <https://doi.org/10.1111/beer.12223>
- [34] H. Mujib, "Organizational Identity: An Ambiguous Concept in Practical Terms," *Administrative Sciences*, 7(3), 2017, p. 28. <https://doi.org/10.3390/admsci7030028>
- [35] J. Myers, "Institutional performance, political culture and political change," *Studies in Comparative International Development*, 30(1), 1995, pp. 84–91. <https://doi.org/10.1007/bf02687155>
- [36] G. F. Cavanagh, D. J. Moberg, and M. Velasquez, "The Ethics of Organizational Politics," *Academy of Management Review*, 6(3), 1981, pp. 363–374. <https://doi.org/10.5465/amr.1981.4285767>
- [37] W. A. Hochwarter, L. A. Witt, and K. M. Kacmar, "Perceptions of organizational politics as a moderator of the relationship between consciousness and job performance," *Journal of Applied Psychology*, 85(3), 2000, pp. 472–478. <https://doi.org/10.1037/0021-9010.85.3.472>
- [38] B. K. Miller, M. A. Rutherford, and R. W. Kolodinsky, "Perceptions of Organizational Politics: A Meta-analysis of Outcomes," *Journal of Business and Psychology*, 22(3), 2008, pp. 209–222. <https://doi.org/10.1007/s10869-008-9061-5>

- [39] Z. A. Zibenberg, "Perceptions of Organizational Politics: A Cross-cultural Perspective," *Global Business Review*, 18(4), 2017, pp. 849–860. <https://doi.org/10.1177/0972150917692211>
- [40] H. Mintzberg, *Power In and Around Organizations*, Englewood Cliffs, NJ: Prentice-Hall, 1983.
- [41] P. Valentine and T. Barnett, "Perceived Organizational Ethics and the Ethical Decisions of Sales and Marketing Personnel," *Journal of Personal Selling & Sales Management*, 27(4), 2007, pp. 373–388. <https://doi.org/10.2753/pss0885-3134270407>
- [42] Y. Tsai, "Relationship between Organizational Culture, Leadership Behavior and Job Satisfaction," *BMC Health Services Research*, 11(1), 2011, p. 98. <https://doi.org/10.1186/1472-6963-11-98>
- [43] P. Lok and J. Crawford, "The effect of organisational culture and leadership style on job satisfaction and organisational commitment," *Journal of Management Development*, 23(4), 2004, pp. 321–338. <https://doi.org/10.1108/02621710410529785>
- [44] E. Wilson, "Inclusion, exclusion and ambiguity – The role of organisational culture," *Personnel Review*, 29(3), 2000, pp. 274–303. <https://doi.org/10.1108/00483480010324652>
- [45] M. G. Murphy and K. M. Davey, "Ambiguity, ambivalence and indifference in organisational values," *Human Resource Management Journal*, 12(1), 2002, pp. 17–32. <https://doi.org/10.1111/j.1748-8583.2002.tb00055.x>
- [46] S. Liu, "Reimagining ethical leadership as a relational, contextual and political practice," *Leadership*, 13(3), 2015, pp. 343–367. <https://doi.org/10.1177/1742715015593414>
- [47] L. Milon and O. Shapira-Lishchinsky, "Authentic leadership as a mediator between professional identity, ethical climate, citizenship behavior and political behavior," *International Journal of Educational Management*, 35(4), 2021, pp. 741–753. <https://doi.org/10.1108/ijem-06-2020-0295>
- [48] D. De Clercq and I. Belausteguigoitia, "Political skill and organizational identification: Preventing role ambiguity from hindering organizational citizenship behaviour," *Journal of Management & Organization*, 28(5), 2019, pp. 973–992. <https://doi.org/10.1017/jmo.2019.31>
- [49] M. Jovanović, "The political behavior of managers and employers as an instrument for advancing career: Influence and factors on individual and organizational effectiveness," *Ekonomika*, 65(4), 2019, pp. 87–105. <https://doi.org/10.5937/ekonomika1904087j>
- [50] M. Maes and G. Van Hootegem, "Power and Politics in Different Change Discourses," *Administrative Sciences*, 12(2), 2022, p. 64. <https://doi.org/10.3390/admsci12020064>
- [51] G. Maula, K. H. Heimeriks, and T. Keil, "Organizational Experience and Performance: A Systematic Review and Contingency Framework," *Academy of Management Annals*, 17(2), 2023, pp. 546–585. <https://doi.org/10.5465/annals.2021.0073>
- [52] I. Mbaraonye, M. Abdurakhmonov, and J. W. Ridge, "Swayed by prior interactions? How government contracting acts as a substitute for lobbying activity," *Strategic Organization*, 21(4), 2022, pp. 905–932. <https://doi.org/10.1177/14761270221132308>

- [53] M. Ozaki, Y. Adachi, Y. Iwahori, and N. Ishii, "Application of fuzzy theory to writer recognition of Chinese characters," *International Journal of Modelling and Simulation*, 18(2), 1998, pp. 112–116.
- [54] R. E. Moore, *Interval Analysis*, Englewood Cliffs, NJ: Prentice-Hall, 1966.
- [55] P. O. Bishop, "Neurophysiology of binocular vision," in J. Houseman (Ed.), *Handbook of Physiology*, Vol. 4, New York: Springer-Verlag, 1970, pp. 342–366.
- [56] D. S. Chan, *Theory and implementation of multidimensional discrete systems for signal processing*, doctoral diss., Massachusetts Institute of Technology, Cambridge, MA, 1978.
- [57] W. J. Book, "Modelling design and control of flexible manipulator arms: A tutorial review," *Proc. 29th IEEE Conf. on Decision and Control*, San Francisco, CA, 1990, pp. 500–506.
- [58] S. D. Smith and T. F. Thomas, "Performance Effects of Strategic Alignment and Clarity," *SSRN Electronic Journal*, 2020. <https://doi.org/10.2139/ssrn.3628594>
- [59] U. Awad Mahdi and A. Hassoon Al-Taie, "Strategic Clarity and its Impact on Improving the Mental Image of the Organization: Analytical Research at the University of Fallujah," *Journal of Economics and Administrative Sciences*, 30(144), 2024, pp. 1–13. <https://doi.org/10.33095/mm63a870>
- [60] A. N. Hussain, A. H. Olaywi, A. A. Amanah, and A. H. Fadhil, "Interactive role of strategic clarity in the relationship between organizational conflict management and strategic decision quality," *Business: Theory and Practice*, 25(1), 2024, pp. 154–163. <https://doi.org/10.3846/btp.2024.20083>
- [61] A. H.-E. Wang, C. K. S. Wu, Y.-Y. Yeh, and F.-Y. Chen, "Strategic Ambiguity, Strategic Clarity, and Dual Clarity," *Foreign Policy Analysis*, 20(3), 2024. <https://doi.org/10.1093/fpa/orae010>
- [62] M. Taghian, "Marketing planning: Operationalising the market orientation strategy," *Journal of Marketing Management*, 26(9–10), 2010, pp. 825–841. <https://doi.org/10.1080/02672571003683813>
- [63] T. Towsen, M. W. Stander, and L. van der Vaart, "The Relationship Between Authentic Leadership, Psychological Empowerment, Role Clarity, and Work Engagement: Evidence From South Africa," *Frontiers in Psychology*, 11, 2020, p. 1973. <https://doi.org/10.3389/fpsyg.2020.01973>
- [64] M. Philip, S. Bhargava, and S. V. Joseph, "Impact of Organisational Climate, Organisational Commitment, Occupational Commitment and Self-Efficacy on Organisational Effectiveness of Human Service Organisations," *Theoretical Economics Letters*, 9(5), 2019, pp. 1299–1315. <https://doi.org/10.4236/tel.2019.95084>
- [65] I. Iddrisu, "Understanding the nexus between organizational culture and trust: The mediating roles of communication, leadership, and employee relationships," *Sustainable Futures*, 9, 2025, p. 100555. <https://doi.org/10.1016/j.sftr.2025.100555>
- [66] D. A. Jerab and T. Mabrouk, "The Role of Leadership in Changing Organizational Culture," *SSRN Electronic Journal*, 2023. <https://doi.org/10.2139/ssrn.4574324>
- [67] Z. M. Zada, J. Khan, I. Saeed, S. Zada, and Z. Yong Jun, "Linking public leadership with project management effectiveness: Mediating role of goal clarity and moderating role of top

- management support,” *Heliyon*, 9(5), 2023, e15543. <https://doi.org/10.1016/j.heliyon.2023.e15543>
- [68] W. Su and C. Xie, “The impact of organizational politics on work engagement—the mediating role of the doctrine of the mean,” *Frontiers in Psychology*, 14, 2023, p. 1283855. <https://doi.org/10.3389/fpsyg.2023.1283855>
- [69] A. Jameel, M. M. Khan, and S. S. Ahmed, “When identity is sanctity: servant leadership guarding against moral disengagement through building strong moral identity in the presence of organizational politics,” *Kybernetes*, 53(11), 2023, pp. 4778–4796. <https://doi.org/10.1108/k-03-2023-0509>
- [70] A. Podgórnjak-Krzykacz, “The relationship between the professional, social, and political experience and leadership style of mayors and organisational culture in local government. Empirical evidence from Poland,” *PLOS ONE*, 16(12), 2021, e0260647. <https://doi.org/10.1371/journal.pone.0260647>

Citation: Abdul Wahid Achberia, Chasan Aroma Abdullah, Yudhi Satria Mulya, Ahmad Syamil. (2025). The Politics Behind Performance: How Shadow Strategies Drive Organizational Outcomes in Emerging Markets. *International Journal of Management (IJM)*, 16(5), 14-42.

Abstract Link: https://iaeme.com/Home/article_id/IJM_16_05_002

Article Link:

https://iaeme.com/MasterAdmin/Journal_uploads/IJM/VOLUME_16_ISSUE_5/IJM_16_05_002.pdf

Copyright: © 2025 Authors. This is an open-access article distributed under the terms of the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original author and source are credited.

Creative Commons license: Creative Commons license: CC BY 4.0



✉ editor@iaeme.com