

Strategic Leadership: What It Is and How It Is Different

An Introduction

By Reinout Schotman – October 2026



Why this matters

Strategic leadership is usually treated as leadership at the top. Much of the academic literature studies chief executives, top management teams and boards, and much practitioner writing describes what senior leaders should attend to or how successful executives behave. That work is valuable. But it leaves a more basic question open: what makes leadership strategic in the first place?

Position cannot be the answer. A technology leader can commit a company to an architecture that shapes what it can build for years. A commercial leader can allow one customer to grow from important to dominant. A country manager can enter a market through a partner structure that is easy to establish and very hard to unwind. None of them needs a seat on the board for the choice to change the organisation's future. At the same time, most decisions, including many difficult ones, are not strategic. Calling everyone a strategic leader would empty the term.

The framework summarised here therefore takes a functional view:

Strategic leadership is the function and developed capacity to recognise, make and carry commitments that shape the future conditions under which an organisation must act.

It is the third framework in the Outdoor Connect canon, alongside *Strategic Growth in the Mid-Market*, which addresses how strategy is built, and *Freedom to Operate*, which addresses the freedoms a strategy depends on. This introduction sets out the core ideas. The full paper develops them, together with their intellectual foundations and a worked case.

Three relationships to action

The familiar contrast between managers who administer and leaders who inspire is not very helpful. Most serious roles require both. A more useful starting point is the relationship each function has to organisational action.

Discipline	Relationship to action	Core question
Management	Makes action executable	How do we turn responsibility into reliable action?
General leadership	Makes action collective	How do we create and sustain purposeful collective action?
Strategic leadership	Shapes the future conditions of action	What will this commitment make possible, difficult or impossible later?

The same decision can contain all three. Outsourcing a capability needs management to specify service levels and the transition, and general leadership to carry people through the change. It becomes a matter of strategic leadership when it changes whether the capability can later be rebuilt, who controls the knowledge the business depends on, and whether future differentiation now sits outside the firm. The difference between the three is not hierarchy. It is the object of responsibility.

Strategic leadership is not strategy

Strategy formulates and tests the logic of choice: where to play, how to win, what not to do, which assets and control points matter. That logic can be analysed, challenged and improved before anything is committed. Strategic leadership begins at commitment, the

point at which capital is allocated, capabilities are built or abandoned, contracts are signed and other actors start to respond. From then on, the choice is no longer only a proposition about the future. It has started to change it.

Commitment brings three continuing responsibilities. To **hold** a commitment is to protect its meaning against a stream of individually reasonable exceptions. To **adapt** is to change it when evidence invalidates the underlying logic, not merely when carrying it becomes uncomfortable. To **account for** it is to accept responsibility for what it sets in motion, including consequences for people who took no part in the decision. A strategist can advise on all three. The person or body that holds the mandate cannot delegate them.

When a commitment becomes strategic

Not every commitment is strategic. A purchase order is a commitment; so is a staffing decision. The test proposed here is restoration:

A commitment crosses the strategic threshold when reversing the immediate act no longer restores the organisation's prior freedom of action, because capabilities, control, relationships or viable alternatives have changed.

Reversal is not the same as restoration. A company can terminate an outsourcing contract, but the capability it gave up does not return with the termination. It can leave a technology platform, but the years spent building around it are not refunded. Size is therefore an unreliable guide. A large expenditure can remain operational if it is easily undone, while a small contractual or technical choice can be strategic if it starts a path that becomes progressively harder to leave.

The most consequential commitments are often not decided at all. They accumulate. A customer grows from 12 to 35 per cent of revenue through a series of sensible commercial decisions. A temporary workaround becomes the operating model. A supplier becomes irreplaceable because switching is always deferred. No one chose the position, yet the organisation is bound by it. Building on Mintzberg and Waters' distinction between deliberate and emergent strategy, the framework treats such emergent commitment as a central object of strategic leadership. Once the pattern is visible, leadership has to convert drift into choice: affirm the commitment, reshape it or attempt to reverse it. Continuing without choosing is itself a choice, made by default.

At Swyx, a communications software company in which the author was involved, Deutsche Telekom had grown to roughly 60 per cent of revenue by the time a sale was being prepared. No single decision had created that concentration, and it was prospective buyers who made its significance visible. The response was neither to accept the concentration as it stood nor to diversify at the expense of growth. Swyx affirmed and reshaped the commitment: a longer-term cooperation aimed at further growth, with the economic interests around a future sale more closely aligned. The dependency remained. Its strategic quality changed.

The five axes

Strategy does not preserve freedom. It spends it. A company that keeps every option open has not perfected its strategy; it has avoided having one. The leadership question is which freedom to spend, for what advantage, and which freedom must remain because losing it would make future strategy impossible. Five axes make that exchange visible.

Trade-off concerns what the commitment excludes. *What must we stop doing for this strategy to mean anything?*

Asymmetry concerns the advantage the commitment is meant to create in return. *Where can our difference matter disproportionately?*

Irreversibility concerns how the commitment hardens over time, through accumulated capital, capability, contracts and expectations. *How is restoration becoming harder?*

Freedom of action concerns where agency moves. Dependencies are not merely risks; they can be deliberate transfers of agency in exchange for advantage. *Who can say no?*

Conscience concerns the boundary to the exchange itself. Legality, contractual rights and formal approval do not settle every question. *What may we be permitted to do, but should still refuse?*

The first four axes describe the exchange inherent in strategy. The fifth marks the point at which not every consequence can be converted into a price.

Where strategic leadership resides

Because strategic leadership is defined by function, it can exist well below the executive team. The governing principle is that responsibility must match consequence. A commitment should sit as close to the decision as possible, but never below the level that can see and legitimately carry its full consequence. When the consequence outgrows the mandate, escalation is not a failure of delegation. It is how responsibility reaches its proper level.

Emergent commitments are recognised in three ways: through proximity, as when an engineer sees platform lock-in before the executive team does; through aggregation, as when a wider role sees fifty commercial exceptions as a single pattern; and through external perspective, as when a buyer, lender or new board member sees what the organisation has normalised. A wider mandate brings a wider obligation to look.

Strategists and advisers occupy a distinct position. They can shape a commitment decisively without owning it. Their influence creates responsibility for the integrity of their advice. Only mandate creates accountability for the commitment.

Developing and assessing strategic leadership

The capacity to recognise, make and carry commitment is not conferred by a title. It is developed through structured exposure to consequence: real but bounded responsibility, early enough in a career that the company itself does not become the first training ground.

Two failures recur. Some people see consequence clearly but never commit, which produces sophisticated paralysis. Others commit before they have seen enough.

Assessment should follow the same structure. Did the person recognise the commitment as it formed? Did they convert judgement into choice? Did they hold or adapt the commitment against the reconsideration point named when it was made? Outcomes matter, but any single outcome is shaped by fortune as well as judgement. A pattern across several commitments is far more informative. The same logic applies to promotion. Excellent managers and inspiring leaders are not necessarily ready to carry strategic commitment, and strong strategic judgement does not always come with charisma.

The most consequential application is the board's evaluation of the CEO. The board should review the major commitments of the year, not only its results, and in doing so assess its own part in them, because it approved the commitments under review.

Six questions

The framework condenses into six questions that a board paper, investment proposal or major contract can address without becoming a long document:

1. **What are we excluding?**
2. **What advantage do we expect in return?**
3. **What will become harder to restore?**
4. **Who gains agency over our future action?**
5. **What boundary are we setting or approaching?**
6. **What would make us reconsider?**

For commitments that were inherited or formed through drift, the same questions are asked retrospectively: what have we already excluded, what has it gained us, what has become harder to restore, and who has acquired agency over us?

Closing

A weak manager fails to make action executable. A weak general leader fails to make it collective. Both failures tend to be visible. A weak strategic leader fails more quietly. The organisation may execute well, people may be aligned and the metrics may improve, while it moves with great competence into a future it has not chosen clearly enough, understood deeply enough or prepared itself to carry.

Strategic leadership is not the art of being followed. It is the responsibility of choosing a future others will have to live in.

The full paper, *Strategic Leadership: What It Is and How It Is Different*, develops this framework in thirteen chapters, including its intellectual foundations, the Swyx case in full and nine principles for boards and executives.

About Outdoor Connect

Outdoor Connect is an independent strategy advisory platform focused on board-level value creation for mid-sized, growth-driven companies (€50–€1B). We bring direct senior engagement—without the traditional consulting pyramid—to help founders, CEOs and boards set direction, make sharper capital allocation choices, and embed an execution rhythm. Core areas include growth strategy in technology and the energy transition, strategic repositioning in fragmented markets, and board-level sparring on value creation and M&A preparation.

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