



# LEAD from the Middle: Bridging Strategy and Execution through Layered Leadership

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## Abstract

Organizations routinely struggle to convert strategy into coordinated, sustainable execution. This paper posits that the persistent strategy-execution gap is a structural leadership problem: organizations rarely define and govern the leadership function that connects strategic intent with day-to-day work. It introduces a Layered Leadership system comprising three interdependent tiers: strategic, operational, and self-leadership and focuses on the middle tier, Operational Leadership (OL), because it is under-specified relative to strategic and self-leadership concepts. OL is defined as the translational function at the Strategy-Execution Interface (SEI) that governs cross-functional integration, coordination, and momentum. The SEI is referred to as the organizational space where strategic intent is translated into coordinated work across functions. Conceptually, the paper synthesizes middle-management, strategy-as-practice, dynamic-capabilities, and coordination literature to position the Layered Leadership system and distinguish OL from adjacent constructs such as PMO, product operations, and line management. Empirically, it reports on three six-week prototype programs in small and medium-sized enterprises (n=56) that activated OL practices within intact leadership systems. Methodologically, it specifies a reproducible SEI indicator, the Capacity Ratio (CR), that quantifies how well the leadership system converts available capacity into sustainable execution using defined inputs, computation steps, and interpretation bands. Descriptive pre/post signals suggest gains in throughput, retention, engagement, and executive time freed for strategic work. Further, the paper outlines boundary conditions, ethical considerations, and a research agenda for validating OL and system-level SEI measures.

**Keywords:** layered leadership; strategy-execution gap; strategy-execution interface; operational leadership; capacity ratio

## 1. Introduction

Organizations can often articulate strategy and build capabilities, yet struggle to see them expressed in coordinated, sustainable execution. Persistent execution failure is well documented and linked to unclear accountability, weak cross-functional coordination, and insufficient feedback loops between the top and the front line (Hrebiniak, 2006, 2013; Mankins & Steele, 2005; Neilson et al., 2008; Sull et al., 2015). This paper argues that the strategy-execution gap reflects not only behavioural challenges but also a structural leadership problem: most organizations lack an explicit, governed function that connects strategic intent with daily execution.

In response, the paper develops a Layered Leadership system and focuses on its comparatively under-specified middle tier, Operational Leadership (OL). The system comprises three

interdependent layers: strategic leadership, which sets direction and allocates resources; operational leadership, which translates and coordinates work at the Strategy–Execution Interface (SEI), a space where strategic intent becomes cross-functional action; and self-leadership, which anchors individual responsibility and alignment. The core claim is that the SEI is structurally under-led: organizations may have strong strategic narratives and self-management expectations but no explicit function governing translation, integration, and momentum between them.

The paper defines OL as a system-level leadership function accountable for connecting strategic logic with human dynamics across units and time. Rather than a role or title, OL is a patterned set of activities, decision rights, and information flows that can be designed, measured, and improved. Specifying OL within a Layered Leadership system makes the strategy-execution gap visible and governable.

## **2. Literature Review and Positioning**

This work builds on and extends several streams of literature. Middle management research highlights the upward, downward, and lateral influence of managers positioned between senior executives and frontline teams, emphasizing their roles in championing initiatives, synthesizing information, and selling strategic change (Floyd & Wooldridge, 1992, 1997; Wooldridge et al., 2008; Currie & Procter, 2005; Balogun, 2003; Balogun & Johnson, 2004). Strategy-as-practice research similarly shows how strategizing emerges through everyday activities, tools, and conversations rather than isolated planning events (Jarzabkowski, 2005; Jarzabkowski et al., 2007; Vaara & Whittington, 2012; Rouleau, 2005; Balogun & Seidl, 2011). These perspectives position the “middle” as a crucial site of strategic work but stop short of defining a formal leadership layer that governs the system.

Classic work on organizational interdependence explains why coordination load rises with task uncertainty (Thompson, 1967). Execution research documents the high failure rate of strategic initiatives and links it to coordination and accountability gaps (Hrebiniak, 2006, 2013; Mankins & Steele, 2005; Neilson et al., 2008; Sull et al., 2015). Coordination studies illuminate how distributed actors achieve collective performance through plans, routines, roles, artifacts, and representations under interdependence and uncertainty (Malone & Crowston, 1994; Okhuysen & Bechky, 2009; Van de Ven et al., 1976; Bechky, 2003; Carlile, 2004; Star & Griesemer, 1989). Dynamic capabilities research identifies sensing, seizing, and reconfiguring as core capabilities enabling firms to renew themselves in changing environments (Teece et al., 1997; Eisenhardt & Martin, 2000; Teece, 2007). Goal system frameworks such as the balanced scorecard and OKRs clarify what success looks like but often under-specify the day-to-day translation work that connects aims to flow (Kaplan & Norton, 1996; Locke & Latham, 2002; Niven & Lamorte, 2016; Doerr, 2018).

Related constructs include integrator roles, program and portfolio management, project management offices (PMOs), and product operations. Integrators and change intermediaries help bridge perspectives and orchestrate collaboration across boundaries (Balogun, 2003; Ancona & Caldwell, 1992; Nonaka, 1994). PMOs and portfolio frameworks govern projects and investments (Turner & Keegan, 2001; Aubry et al., 2008; Too & Weaver, 2014; Project Management Institute, 2021; Meskendahl, 2010), while product operations focus on improving the effectiveness of product teams. These constructs partially address coordination and translation but typically centre on projects, products, or portfolios rather than defining a cross-cutting leadership layer at the SEI.

This paper’s contribution is twofold. First, it proposes a Layered Leadership system that treats leadership as a three-tier governance architecture - strategic, operational, and self-leadership,

rather than a set of isolated behaviours. This extends multilevel leadership perspectives (Avolio & Yammarino, 2020; Hannah et al., 2021; Klein & Kozlowski, 2000) and systems thinking in organizations (Beer, 1985; Senge, 1990). Second, within this system it defines OL as a distinct, accountable leadership layer at the SEI that connects strategic design, operational coordination, and individual engagement. By specifying OL and proposing system-level metrics for the SEI, this work aims to shift the strategy-execution conversation from exhortation toward design and governance.

### **3. Conceptual Foundations: The Layered Leadership System**

The Layered Leadership system conceptualizes leadership as a structured set of roles, relationships, and information flows distributed across three interdependent tiers: strategic leadership, operational leadership, and self-leadership. Rather than treating leadership as a personal trait or style, the model focuses on how the whole system senses, decides, coordinates, and learns.

Strategic leadership addresses long-term positioning, portfolio choices, and system design (Teece, 2007; Eisenhardt & Martin, 2000). It sets direction, allocates resources, and defines success criteria. Self-leadership concerns how individuals take responsibility for their behaviour, motivation, and alignment with organizational and personal purposes, drawing on traditions of self-regulation and work engagement (Schaufeli et al., 2006; Bakker & Demerouti, 2007). These two tiers are widely recognized in theory and practice.

Operational Leadership (OL), by contrast, is often implicit. OL is the middle leadership tier at the SEI, accountable for translation, integration, and sustained execution momentum across units and time. It connects strategic logic with the realities of operational flow and human dynamics; converts strategic intent into coherent objectives; manages interdependencies; and ensures that local decisions remain aligned with system-level priorities. OL is therefore not simply line management but a cross-cutting leadership function that governs how the system coordinates under real-world constraints. The three layers are mutually reinforcing. Strategic leadership without OL risks producing plans that cannot be executed; self-leadership without OL risks isolated initiatives that do not aggregate to system-level outcomes; and OL without a strategic frame or self-leadership base risks devolving into tactical firefighting. The governance challenge is to define how these layers interact, how responsibility is distributed, and how performance is measured at each tier and for the system as a whole.

### **4. Operational Leadership at the Organization's Strategy-Execution Interface**

The Strategy-Execution Interface (SEI) is the organizational space where strategic intent is translated into coordinated action. It encompasses the meetings, routines, artifacts, and decision processes that connect executive choices with day-to-day work (Neilson et al., 2008; Okhuysen & Bechky, 2009; Jarzabkowski, 2005). This paper locates the Layered Leadership model and specifically OL in this interface and specifies its core dimensions as structural, relational, and translational.

Structurally, OL designs and maintains the connective tissue between units: how goals cascade, how cross-functional work is organized, and how feedback from operations informs strategic adjustments. Relationally, OL builds and maintains the trust and psychological safety required for candid escalation, surfacing of constraints, and constructive conflict (Doblinger, 2023; Ashkevari & Ghasemi, 2023). Translationally, OL interprets strategic intent and clarifies trade-offs, while also translating upward the signals from the workforce - feedback, strain, and relational friction - into structured, decision-ready insight.

OL is adjacent to, but distinct from, several existing constructs. PMOs and portfolio-management arrangements focus primarily on projects and investment decisions (Turner & Keegan, 2001; Aubry et al., 2008; Too & Weaver, 2014; Project Management Institute, 2021; Meskendahl, 2010). Product operations optimize product development workflows. Line management is responsible for the performance of specific teams or units. OL, as conceptualized here, spans these domains: it is responsible for the coherence of the leadership system at the SEI, ensuring that strategic, project, product, and people decisions align over time.

Within the Layered Leadership system, OL thus constitutes the second tier that connects strategic leadership at the top and self-leadership at the base. Naming and specifying OL as a system-level function makes the SEI visible and opens it to design, measurement, and improvement.

## **5. Methods: Early-Stage Prototypes**

Given the nascent state of OL and the Layered Leadership system, this study adopted an exploratory, theory-building design aimed at clarifying constructs and specifying measurement rather than testing formal hypotheses (Eisenhardt, 1989; Edmondson & McManus, 2007). It was applied with three small and medium-sized enterprises (SMEs) in technology, manufacturing, and professional services to run six-week prototype programs focused on activating OL practices within their existing leadership systems (Table 1).

**Settings and participants.** The participating organizations ranged from approximately 20 to 100 full-time equivalents. Selection criteria included the presence of an engaged executive sponsor, identifiable managers who operated at the SEI, and access to operational and HR data required for pre/post analysis. Each organization identified supervisors, team leads, and middle managers to participate in the program. Across the three sites, 56 participants enrolled in the “LEAD from the Middle” program, with each site providing an executive sponsor to support the initiative. Participation was voluntary; individuals could opt out at any time without consequence.

**Intervention content and dose.** To inform the intervention, the author first examined how middle managers understood strategic goals, participated in goal setting, translated those goals into daily work, optimized their time and personal resources, and communicated across teams and with executives. In addition to quantitative baseline measures, the author conducted brief observational meetings with executives, middle managers, and frontline teams at the start of the prototypes to assess strategy understanding, communication patterns, feedback loops, and coordination patterns; these observations served only to contextualize the intervention and were not delivered as separate interventions. The sessions were grounded in the specific coordination and execution challenges managers identified in their current work, rather than in abstract case examples.

The Week 1 90-minute session focused on creating minimal capacity for OL work by introducing simple optimization practices, establishing a predictable daily operating cadence, and setting goals and structure for the following five weeks. A short daily “SEI huddle” (10-15 minutes) was introduced as a lightweight coordination routine for surfacing dependencies, reviewing constraints, and identifying required decisions at the SEI. From Week 2 onward, participants engaged in weekly 90-minute facilitated sessions combining individual application and group-based work across three clusters of OL practices:

1. Translation and decision pathways, which clarified decision rights and role boundaries and used a one-page “intent - commitments - dependencies - feedback” template to connect strategic priorities to operational action.

2. Cross-functional coordination routines, including daily or near-daily SEI huddles, standardized escalation/de-escalation protocols, and short weekly joint problem-solving sessions.
3. Visibility of work, interdependencies, and results, using simple flow boards derived from existing operational data and reviewed in weekly alignment checks to surface constraints, enablement gaps, communication breakdowns, and workload imbalance.

Core artifacts included decision-pathway maps, huddle templates, translation and feedback templates, and shared flow boards. Executive sponsors at all three sites confirmed that no other leadership-development, strategy-execution, or coordination initiatives were active during the six-week period; routine HR and operational processes continued as usual, bounding attribution to the OL practices introduced.

**Procedures and measures.** In Week 1, baseline data were established using (1) archival operational indicators (throughput, work-in-progress and cycle times, rolling 90-day retention, and executive hours spent on operational problem solving); (2) short pulse surveys on workload balance, resources and support, and engagement. These pulse items were brief, practice-oriented indicators (e.g., “My workload is sustainable,” “I have the resources I need,” “I feel engaged in my work”) used for descriptive prototyping rather than as formal scales; internal consistency was acceptable for early-stage use ( $\alpha \approx .70-.80$ ). Team sizes were too small for reliable aggregation statistics (e.g.,  $r_{wg}$ , ICC), so future larger-sample studies should examine within-team agreement and between-team reliability before aggregating such measures. Baselines also included (3) brief 360° feedback for key OL behaviours and (4) executive interviews regarding perceived strategy-execution frictions. All operational indicators were drawn from existing systems (MES/ERP, HRIS, and time-tracking tools), with the same sources used at Week 6 for comparability. The same pulse surveys and 360° assessments were repeated in Week 6 to examine short-horizon change. Surveys used 5-point Likert scales (1 = strongly disagree; 5 = strongly agree). Percent changes were calculated using standard formulas, and raw values were retained for auditability. The study adhered to ethical and validity guidelines. Participants were informed of the purpose of the prototypes, the voluntary nature of participation, and the intended use of the data. Data were aggregated to the team level where necessary to protect anonymity. The study followed privacy-by-design principles and established guidance on data protection and algorithmic use (European Union, 2016; Dwork & Roth, 2014; NIST, 2020). Threats to validity included selection bias, Hawthorne effects, and common-method variance (Podsakoff et al., 2003). These were mitigated through multimethod triangulation (archival, survey, 360°, interview), temporal separation of measurements, and the use of aggregated data. Results are descriptive rather than statistically generalizable but provide useful signals for theory building and measurement design.

*Table 1. Prototype programs and measures.*

Site	Sector/Size	Participants (n)	Timeframe	Key measures	Data sources
A	Technology (~70 FTE)	22	Week 1 → Week 6	Throughput; WIP; cycle time; 90-day retention; executive hours; SEI pulses; 360°	MES/ERP; HRIS; surveys; interviews
B	Manufacturing (~85 FTE)	27	Week 1 → Week 6	Throughput; WIP; cycle time; 90-day retention; executive hours; SEI pulses; 360°	MES/ERP; HRIS; surveys; interviews
C	Professional services (~20 FTE)	7	Week 1 → Week 6	Throughput; 90-day retention; executive hours; SEI pulses; 360°	Time-tracking; HRIS; surveys; interviews

*Source: Author’s conceptual model.*

### 5.1 Results: Descriptive Signals from Layered Interventions

Across the three sites, descriptive pre/post signals suggested improvements in both flow and person outcomes over the six-week period. Throughput indices, normalized to a baseline of 100, increased between 17% and 23% across sites. Rolling 90-day retention improved by 34-39 percentage points, and short engagement indices, rescaled to 0-1, increased by 83-100%. Executives reported reclaiming between 5 and 8 hours per week from operational firefighting to higher-leverage strategic work (Table 2).

These patterns are consistent with the idea that activating OL within a Layered Leadership system can improve coordination and reduce friction at the SEI, even over relatively short time horizons. However, sample sizes are small, the design is nonrandomized, and organizations differed in context and maturity. The study interprets these findings as suggestive signals rather than causal estimates.

Table 2. Prototype outcomes by site (descriptive, 6 weeks).

Metric	Definition (unit)	Formula for change	Tech (~70 FTE)	Manufacturing (~85 FTE)	Prof. services (~20 FTE)
Productivity (team output)	Normalized throughput index (100 baseline)	$\% \Delta = (\text{Week 6 value} - \text{Week 1 value}) / \text{Week 1 value}$	100 → 121 (+21%)	100 → 117 (+17%)	100 → 123 (+23%)
Employee retention (rolling 90-day rate)	% of employees retained over the prior 90-day window	$pp = \text{Week 6 value} - \text{Week 1 value}; \% \Delta = (\text{Week 6 value} - \text{Week 1 value}) / \text{Week 1 value}$	60% → 94% (+34 pp, +57%)	55% → 90% (+35 pp, +64%)	58% → 97% (+39 pp, +67%)
Engagement (index 0-1)	Short engagement index (0-1)	$\% \Delta = (\text{Week 6 value} - \text{Week 1 value}) / \text{Week 1 value}$	0.35 → 0.64 (+83%)	0.33 → 0.61 (+85%)	0.30 → 0.60 (+100%)
Executive time reclaimed	Hours/week freed for strategic work	$\Delta \text{hrs} = \text{Week 6 value} - \text{Week 1 value}$	0 → 6 (+6 hrs)	0 → 5 (+5 hrs)	0 → 8 (+8 hrs)

Note. pp = percentage-point change. %Δ = relative percentage change. Throughput index is normalized to a baseline of 100. Employee retention reflects a rolling 90-day retention rate, calculated over the 90-day window ending at each measurement point (baseline and Week 6). Executive time reclaimed represents hours reallocated from operational issue-resolution activities to higher-leverage strategic leadership work. All values represent descriptive signals from six-week prototypes conducted under ethics consent and anonymity protocols.

Source: Author’s conceptual model.

The prototypes surfaced latent drifts - structural, relational, and translational misalignments - that became visible once accountability, communication, and visibility mechanisms were introduced. These observed drifts provided diagnostic insight into where coherence was lost within the system, illustrating the practical utility of the SEI and layered leadership logic.

### 6. Measuring the Layered Leadership system: Capacity Ratio

To move from concept to governance, the Layered Leadership system requires indicators that show how effectively leadership layers convert organizational capacity into sustainable execution. This paper introduces the Capacity Ratio (CR) as an early, reproducible system-level indicator focused on the SEI. CR does not assess individual leaders but captures how the leadership system balances workload, enablement, and people’s stability where strategy and execution meet.

CR is derived from three normalized inputs (0-1): workload balance (WLB), resources and support (RES), and turnover risk inverse (TRN).

**Workload balance (WLB).** When objective data are available, WLB is defined as 1 - Gini(hours) across team members over a 4-6-week period using planned and actual task hours; higher values indicate more balanced distribution. Where such data are unavailable, a brief 3-item pulse survey can serve as a proxy (e.g., “Work is distributed fairly across my team,” “Our workload is manageable,” “Priorities are clear and prevent overload”), averaged and rescaled to 0-1.

**Resources and support (RES).** RES reflects the extent to which people at the SEI have what they need to execute. A 4-item pulse survey adapted from job demands-resources research (Bakker & Demerouti, 2007) asks respondents to rate statements such as “I have the tools and information needed,” “Our processes support delivery,” “My role and decision rights are clear,” and “Dependencies across teams are coordinated adequately.” Scores are averaged and rescaled to 0-1.

**Turnover risk inverse (TRN).** TRN is the rolling 90-day retention rate for the relevant unit or team, expressed as a proportion between 0 and 1. For very small teams, TRN may be computed at a higher aggregation level to reduce volatility. The Capacity Ratio is then defined as

$$CR = 0.40 \cdot WLB + 0.35 \cdot RES + 0.25 \cdot TRN \quad (1)$$

Weights (0.40, 0.35, 0.25) reflect an initial assumption about how capacity at the SEI forms. Workload balance (WLB) receives the highest weight because overload immediately constrains OL. Resources and support (RES) is slightly lower, as enablement can buffer load, and turnover-risk inverse (TRN) is smallest as a slower-moving stability indicator. CR is a configurable composite: organizations may apply equal weights ( $CR_{eq} = (WLB + RES + TRN)/3$ ) or adjust weights in small increments ( $\pm 0.05$ - $0.10$ ) to reflect context, provided WLB remains highest and TRN lowest. When inputs move in the same direction, CR is robust to modest weight shifts; large divergences (e.g., high WLB but low RES) are intentionally reflected as capacity risk. Future work should empirically calibrate weights as data accumulates.

Interpretation bands guide use: values  $< 0.60$  indicate a risk zone (overload or low enablement);  $0.60$ - $0.84$  reflect a sustainable range requiring monitoring; and  $\geq 0.85$  indicate an optimized range where capacity matches demand but still requires vigilance.

From a measurement standpoint, survey-based components should target acceptable internal consistency ( $\alpha$  or  $\omega \geq .70$ ) and be tested for convergent and discriminant validity using established criteria (Cronbach, 1951; Nunnally & Bernstein, 1994; Fornell & Larcker, 1981; Henseler et al., 2015). When aggregating to the team or unit level, within-group agreement and intraclass correlations should be examined (Bliese, 2000; Klein & Kozlowski, 2000; LeBreton & Senter, 2008). In larger samples, aggregation decisions should be supported by within-group agreement (e.g.,  $r_{wg(j)} \geq .70$ -.80) and ICCs in line with multilevel norms (Bliese, 2000; LeBreton & Senter, 2008). Table 3 presents a simple worked dataset, using synthetic values to illustrate CR calculation and score interpretation for three organizations. All inputs are scaled 0-1; CR is a weighted sum of these inputs. The accompanying CSV file includes the same values for replication.

Table 3. Capacity Ratio (CR) - Worked dataset (synthetic values).

Org/Team	WLB (0-1)	RES (0-1)	TRN (0-1)	CR	Interpretation
Company A	0.73	0.81	0.63	0.73	Sustainable
Company B	0.67	0.74	0.46	0.64	Sustainable (low end)
Company C	0.78	0.88	0.71	0.80	Sustainable (high end)

Note.  $CR = 0.40 \cdot WLB + 0.35 \cdot RES + 0.25 \cdot TRN$ . Values are illustrative and intended for replication of the computation steps.

### 6.1 Positioning CR Relative to Extant Frameworks and Metrics

CR complements existing strategy and execution frameworks. Within Balanced Scorecard or OKR logic, WLB aligns with internal process flow, RES with learning and enablement, and TRN with people stability. In dynamic capabilities terms, CR reflects the system's ability to align (RES), orchestrate (WLB), and retain capacity (TRN). CR therefore complements outcome KPIs by assessing the governance of the SEI rather than downstream results.

CR also complements, rather than replaces, adjacent people and flow metrics. Flow indicators (e.g., work-in-progress, cycle time, throughput) show how work moves but not whether the leadership layer can sustain that flow. People-risk indicators (e.g., burnout risk) surface strain only after capacity has eroded, and sentiment tools (e.g., engagement, NPS) capture attitudes rather than system-level enablement.

CR provides a system-level view of whether workload, enablement, and stability are sufficiently aligned at the SEI to support coordinated, sustainable execution.

## 7. Distinctions, boundary conditions, and ethical considerations

The Layered Leadership system and OL are not universally required. They are most valuable in environments characterized by high cross-functional interdependence, moderate-to-high uncertainty, and frequent change, contexts in which coordination failures and misaligned initiatives are costly (Eisenhardt & Martin, 2000; Teece, 2007; Walter et al., 2013). In more stable, low-coupling settings, traditional hierarchical alignment and basic performance management may suffice, and the overhead of formal OL structures may outweigh the benefits.

Formally defining OL can create authority and identity tensions. Line managers may perceive OL as encroaching on their responsibilities, and project leaders may worry about added governance layers. Clear OL charters, decision rights, and escalation paths help mitigate these risks by positioning OL as a system-level integrator that supports, rather than replaces, existing roles.

The Layered Leadership model differs from existing leadership frameworks in four respects. First, it is structural rather than purely situational or behavioural. Many leadership theories emphasize style, vision, or agency, and therefore describe actions rather than the allocation of accountability. Layered Leadership defines three tiers - strategic, operational, and self, each with distinct scope and responsibility, with OL linking them by coordinating information and intent. Second, the model emphasizes anchored accountability: strategic leadership for direction, OL for translation and integration, and self-leadership for contribution. This structure constrains execution drift while retaining adaptability. Third, it specifies OL as a distinct tier. Prior work highlights middle managers as brokers and sense makers but rarely treats them as accountable system-level leaders. Naming OL establishes a measurable domain of execution and enables the specification of competencies and metrics at the SEI. Fourth, the model enables

structural measurability. SEI metrics, such as the Capacity Ratio, quantify coherence across tiers and extend leadership research from a behavioural to a systemic coordination focus.

Data governance is central when introducing system-level metrics such as CR. Fairness, privacy, and psychological safety require that metrics be used for learning and system improvement rather than individual blame. Access to detailed data should be controlled on a need-to-know basis; results should generally be presented in aggregated form; and the lineage of each metric - data sources, transformations, and intended use - should be documented (European Union, 2016; Dwork & Roth, 2014; National Institute of Standards and Technology, 2020).

## **8. Conclusion**

This paper has proposed a Layered Leadership system, comprised strategic, operational, and self-leadership tiers and focused on the under-specified middle tier, Operational Leadership, as the key to bridging the strategy-execution gap. By explicitly locating OL at the Strategy-Execution Interface and defining its structural, relational, and translational responsibilities, we move beyond generic calls for alignment and empowerment toward a more concrete leadership architecture.

We have also taken a first step toward measuring the performance of this architecture through the Capacity Ratio, a simple but reproducible indicator of how well the leadership system balances workload, enablement, and people stability at the SEI. Early prototype signals in three SMEs suggest that activating OL practices within the Layered Leadership system can generate promising improvements in flow, retention, engagement, and executive focus, although more rigorous designs are needed.

For researchers, the Layered Leadership system invites multilevel, longitudinal studies that examine how changes in OL practices and SEI metrics relate to outcomes such as strategic renewal, innovation, and resilience (Kim et al., in press; Hannah et al., 2021). For practitioners, it offers a practical lens for diagnosing where the leadership system is under- or over-performing and for designing interventions that target the often-invisible work of translation, integration, and momentum in the middle of the organization. Future work should validate SEI measurement with appropriate latent-variable models (Kline, 2016).

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