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Strategic Silence, Strategic Ambiguity, and Strategic Loyalty: A Serial Mediation Model of Leadership Effectiveness in the Banking Sector

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In volatile and tightly regulated business environments, leadership effectiveness may depend as much on restraint as on expression. While traditional leadership models emphasise clarity and vocal influence, leaders operating in complex sectors such as banking often rely on calibrated silence and flexible communication to navigate uncertainty. This study examines how strategic silence contributes to leadership effectiveness and whether this relationship unfolds through strategic ambiguity and strategic loyalty. Drawing on dynamic capabilities theory and social exchange theory, the study employed a cross-sectional survey of managers and supervisory-level employees from selected commercial banks in Eldoret, Kenya. Data were analysed using Hayes' PROCESS Model 6 with 5,000 bootstrap samples to test a serial mediation framework. The findings show that strategic silence significantly predicts strategic ambiguity ($\beta = .46, p < .001$), which in turn strengthens strategic loyalty ($\beta = .41, p < .001$). Strategic loyalty exhibits a strong positive effect on leadership effectiveness ($\beta = .52, p < .001$). Although strategic silence has a direct positive impact on leadership effectiveness ($\beta = .34, p < .001$), this effect reduces but remains significant when mediators are included ($\beta = .15, p < .05$), indicating partial mediation. Importantly, the serial indirect pathway from strategic silence to leadership effectiveness through strategic ambiguity and strategic loyalty is significant ($\beta = .09, 95\% \text{ CI } [.04, .16]$). These results suggest that intentional silence, when followed by adaptive framing and relational consolidation, enhances leadership effectiveness. The study contributes to leadership scholarship by repositioning silence and ambiguity as strategic capabilities rather than communication deficiencies. Practical implications for leadership development and governance in African financial institutions are discussed.

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INTRODUCTION

Leadership effectiveness remains a cornerstone of organisational survival, particularly in industries characterised by regulatory oversight, reputational sensitivity, and strategic complexity. The banking sector exemplifies such an environment. Leaders are expected to demonstrate decisiveness, clarity, and visible direction. Classical leadership theories reinforce this expectation by associating effectiveness with vocal articulation of vision, strong influence over followers, and communicative transparency.

However, contemporary organisational realities complicate this assumption. Banking institutions operate under conditions marked by volatility, uncertainty, complexity, and ambiguity (VUCA). In such contexts, leaders frequently face situations where immediate articulation may be premature, risky, or strategically limiting. Regulatory constraints, information asymmetries, and stakeholder sensitivities often require careful timing, discretion, and reflective judgment. Under these conditions, restraint may be as important as expression.

Despite this practical reality, leadership research has largely treated silence as dysfunctional. Silence is commonly associated with fear, disengagement, or power imbalance, particularly within the employee silence literature. Similarly, ambiguity has often been interpreted as poor communication or a lack of clarity rather than as a deliberate strategic choice. Loyalty, while extensively studied, is typically framed as an outcome of trust or exchange processes rather than as part of an integrated leadership mechanism.

This study offers a different perspective. It argues that silence, when intentional and contextually grounded, can function as a strategic leadership capability. Strategic silence may create cognitive space for reflection, preserve flexibility in decision-making, and signal composure under pressure. When followed by adaptive communication—conceptualised here as strategic ambiguity—this restraint may foster interpretive flexibility and strengthen relational commitment. Over time, such relational consolidation, expressed as strategic loyalty, may enhance perceptions of leadership effectiveness.

To examine this proposition, the study develops and tests a triadic serial mediation model linking strategic silence, strategic ambiguity, strategic loyalty, and leadership effectiveness among managers in selected commercial banks in Eldoret, Kenya. By integrating dynamic capabilities theory with social exchange theory, the study links behavioural restraint to relational processes and performance perceptions.

The research makes three primary contributions. First, it reframes silence as a purposive leadership behaviour rather than passive withdrawal. Second, it extends strategic ambiguity theory into the domain of leadership effectiveness within an African banking context. Third, it introduces and empirically validates a serial mediation framework that explains how calibrated restraint can translate into effectiveness through communicative flexibility and relational alignment.

In doing so, the study contributes to a more nuanced understanding of leadership under

institutional complexity and responds to calls for contextually grounded management research within emerging economies.

LITERATURE REVIEW AND THEORETICAL FOUNDATIONS

Strategic Silence

Organisational silence has traditionally been framed as a dysfunctional phenomenon. Early scholarship associated silence with fear of retaliation, perceived futility, and power asymmetries that suppress employee voice (Morrison & Milliken, 2000; Pinder & Harlos, 2001; Van Dyne et al., 2003). In this view, silence undermines learning, inhibits error reporting, and weakens adaptive capacity—particularly in high-stakes environments where open communication is essential.

More recent research, however, suggests that silence is not uniformly negative. Silence can be intentional and strategic. Rather than signalling disengagement, it may represent a deliberate leadership choice shaped by timing, context, and sensitivity. Emerging work on leader silence recognises that leaders sometimes withhold or delay communication to manage conflict, reduce escalation, or gather more information before acting.

Building on this shift, this study conceptualises strategic silence as the deliberate and context-sensitive calibration of speech. Unlike defensive or acquiescent silence, which are typically fear-driven, strategic silence is purposive and aligned with leadership intent. Leaders may use silence to create cognitive space for sense-making, avoid premature commitments when information is incomplete, regulate emotional intensity, or signal composure and executive presence.

The meaning of silence is highly contextual. Research on silence dynamics shows that followers interpret leader silence through relational and moral lenses. In high-trust environments, silence may be perceived as reflective and prudent. In low-trust contexts, it may be interpreted as avoidance or concealment.

Thus, silence does not produce automatic outcomes; its effects depend on leader credibility, ethical grounding, and relational climate.

From a theoretical standpoint, strategic silence aligns with the logic of dynamic capabilities. By refraining from immediate articulation, leaders enhance the sensing function—scanning the environment, interpreting weak signals, and timing decisions more effectively in uncertain environments. This is particularly relevant in regulated and reputation-sensitive sectors such as banking, where premature disclosure can create compliance risks or strategic lock-in.

Accordingly, this study advances a differentiated view of silence: not all silence is harmful. When intentional and ethically grounded, silence can function as a leadership capability that supports adaptive communication and relational consolidation.

Strategic Ambiguity

Strategic ambiguity originated in communication scholarship as the intentional use of flexible or broadly framed language that allows multiple interpretations while preserving cohesion (Eisenberg, 1984). Rather than signalling confusion, ambiguity was conceptualised as a coordination mechanism that unites diverse stakeholders around shared yet interpretable goals.

Contemporary research extends this idea beyond language. Strategic ambiguity is increasingly understood as an organisational capability that preserves flexibility under uncertainty. In dynamic environments, excessive precision may reduce adaptability, whereas calibrated ambiguity allows leaders to maintain optionality while navigating competing stakeholder expectations.

Within dynamic capabilities theory (Teece, 2007), ambiguity contributes to the “seizing” phase by enabling leaders to manage institutional contradictions, delay irreversible commitments, and accommodate shifting information landscapes. By keeping multiple strategic paths

open, ambiguity enhances manoeuvrability in volatile contexts.

Ambiguity also creates interpretive space (Weick, 1995). By avoiding over-specification, leaders allow followers at different hierarchical levels to construct meaning within their own operational realities. This flexibility can foster ownership, localised adaptation, and innovation.

However, ambiguity carries relational risk. In low-trust environments, it may be perceived as evasiveness. Its effectiveness, therefore, depends on ethical deployment and relational foundations. When followers perceive ambiguity as prudent and adaptive rather than manipulative, it can strengthen trust and commitment.

In regulated sectors such as banking—where leaders must balance transparency with compliance constraints—strategic ambiguity allows leaders to signal direction while preserving discretion. It becomes strategic not because it obscures reality, but because it calibrates precision in line with situational demands.

In the present study, strategic ambiguity functions as an intermediate mechanism through which silence translates into relational outcomes. Silence creates cognitive space, ambiguity structures that space, and loyalty consolidates its relational impact.

Strategic Loyalty

Strategic loyalty is conceptualised here as a values-based, future-oriented commitment expressed through sustained support for leadership direction, particularly under conditions of uncertainty. Unlike blind obedience, strategic loyalty reflects perceived legitimacy, fairness, and competence. It represents followers' willingness to remain aligned even when strategic clarity is evolving.

Relational leadership research consistently demonstrates that trust, fairness, and high-quality leader–member relationships strengthen commitment and discretionary effort. While

organisational commitment captures attachment to the organisation, and leader–member exchange (LMX) reflects dyadic relationship quality, strategic loyalty integrates these elements within strategic contexts. It becomes visible when followers maintain alignment during ambiguity, regulatory shifts, or competitive pressure.

In sectors such as banking, where compliance, service quality, and reputational protection rely heavily on discretionary behaviour, loyalty is not merely attitudinal—it is operationally consequential. Employees often confront policy shifts, pressures for digital transformation, and performance targets under regulatory scrutiny. Under such conditions, leaders require more than formal compliance; they require durable relational support.

Strategic loyalty is therefore positioned in this study as the relational consolidation mechanism through which leader behaviours translate into perceived effectiveness. Silence and ambiguity shape follower interpretations of leader intent and competence. These interpretations accumulate into loyalty, which in turn enhances alignment, reduces resistance, and strengthens coordinated performance.

Leadership Effectiveness

Leadership effectiveness has evolved from a trait-based construct to a multidimensional process-based outcome. Early perspectives equated effectiveness with organisational performance or subordinate satisfaction. Contemporary scholarship recognises effectiveness as emerging through relational, behavioural, and contextual mechanisms.

In this study, leadership effectiveness is defined as the leader's capacity to achieve goals, make sound decisions, mobilise commitment, and sustain performance under complexity. This aligns with relational and adaptive leadership perspectives, which emphasise influence processes and responsiveness rather than static traits.

In volatile and regulated industries such as banking, effectiveness depends on calibrated behavioural sequencing. Leaders must balance transparency with discretion, clarity with flexibility, and decisiveness with reflection. Followers often lack full visibility into strategic decisions and therefore rely on behavioural cues—composure, prudence, fairness, and communicative calibration—to assess effectiveness.

Recent research underscores that leadership effectiveness is fundamentally relational. Trust, psychological safety, and high-quality exchanges enable coordinated execution and discretionary effort. This relational framing supports the serial mediation logic proposed in this study: silence and ambiguity shape interpretations, interpretations consolidate into loyalty, and loyalty strengthens effectiveness.

Leadership effectiveness is therefore operationalised here through follower perceptions of goal attainment capability, decision quality, motivational influence, and sustained performance under pressure.

HYPOTHESES DEVELOPMENT

This study proposes a serial mediation framework linking strategic silence to leadership effectiveness through strategic ambiguity and strategic loyalty. The theoretical logic integrates dynamic capabilities theory and social exchange theory to explain how behavioural restraint translates into relational consolidation and performance perceptions.

Strategic Silence and Leadership Effectiveness

Strategic silence—understood as deliberate and context-sensitive restraint in communication—may directly enhance leadership effectiveness. Leaders who avoid impulsive reactions demonstrate composure, emotional regulation, and prudence. In regulated sectors such as banking, decision quality often depends less on speed and more on timing and calibrated disclosure.

From a behavioural decision-making perspective, reflective delay reduces cognitive bias and premature commitment. Followers may interpret measured silence not as indecision but as executive confidence and strategic control. Such perceptions can strengthen assessments of competence and effectiveness.

H1: Strategic silence positively influences leadership effectiveness.

Strategic Silence and Strategic Ambiguity

Silence may also operate as a precursor to strategic ambiguity. By withholding premature specificity, leaders create interpretive space that allows broader framing and flexible messaging. Reflective restraint enables leaders to gather information, assess competing expectations, and preserve strategic manoeuvrability.

Within the dynamic capabilities logic, silence strengthens the sensing function, while ambiguity supports seizing by maintaining optionality under uncertainty. Leaders who exercise calibrated silence are therefore more likely to communicate direction in ways that accommodate stakeholder diversity.

H2: Strategic silence positively influences strategic ambiguity.

Strategic Ambiguity and Strategic Loyalty

When ethically grounded, strategic ambiguity may strengthen relational bonds. Flexible framing signals prudence and respect for complexity, inviting interpretive participation rather than imposing rigid directives. This approach can enhance perceptions of fairness and cognitive inclusion.

From a social exchange perspective, followers reciprocate such signals with relational commitment. Ambiguity interpreted as adaptive sophistication—rather than evasion—can foster loyalty, particularly during change or uncertainty.

H3: Strategic ambiguity positively influences strategic loyalty.

Strategic Loyalty and Leadership Effectiveness

Strategic loyalty represents the relational consolidation through which leadership behaviour translates into performance outcomes. Loyal followers are more likely to align with strategic objectives, exert discretionary effort, and sustain performance under pressure.

In highly regulated environments such as banking, coordinated execution and discretionary compliance are critical. Relational commitment reduces friction and strengthens collective resilience.

H4: Strategic loyalty positively influences leadership effectiveness.

Mediating Role of Strategic Ambiguity

The influence of silence on effectiveness may not be purely direct. Its impact depends on how leaders subsequently frame communication. Silence followed by adaptive ambiguity may enhance coherence and flexibility, thereby strengthening perceptions of competence.

H5: Strategic ambiguity mediates the relationship between strategic silence and leadership effectiveness.

Mediating Role of Strategic Loyalty

Silence may also foster loyalty by signalling composure and fairness. Loyalty, in turn, strengthens alignment and discretionary effort, enhancing leadership effectiveness.

H6: Strategic loyalty mediates the relationship between strategic silence and leadership effectiveness.

Serial Mediation

The central proposition of this study is that leadership effectiveness emerges through a sequential process. Strategic silence creates cognitive space. Strategic ambiguity structures

that space through flexible framing. Strategic loyalty consolidates relational commitment. Together, these mechanisms form an adaptive behavioural–relational chain.

H7: Strategic ambiguity and strategic loyalty serially mediate the relationship between strategic silence and leadership effectiveness.

Conceptual Model:

Strategic Silence → Strategic Ambiguity → Strategic Loyalty → Leadership Effectiveness

METHODOLOGY

Research Design

The study adopted a cross-sectional explanatory research design for assessing the proposed model of serial mediation on strategic silence, strategic ambiguity, strategic loyalty, and leadership effectiveness. Cross-sectional design is considered most appropriate for assessing relationships among organisational behavioural variables, particularly for a one-time snapshot of relationships in a given time frame, with many applications in leadership and management studies.

Although a cross-sectional design does not easily establish cause and effect, a well-theorised framework of mediated relationships provides confidence in interpreting results.

Research Context

Data collection for the study was carried out among a number of commercial banks in Eldoret, Kenya. The targeted banks included;

Kenya Commercial Bank (KCB Group), Standard Chartered Bank, Diamond Trust Bank, Equity Bank Kenya, Co-operative Bank of Kenya, Family Bank, Absa Bank Kenya, NCBA Bank Kenya, Stanbic Bank Kenya.

Selection of these commercial banks was carried out using purposive institutional sampling based on three main factors;

- Existence of active branch operations in Eldoret Town,
- Participation in both digital and traditional banking services, and
- Existence of managerial and supervisory staff who could assess leadership.

Eldoret is a strategic location for conducting a study on leadership in commercial banks in Kenya, given its status as a leading commercial and financial centre in Kenya's North Rift region, with a majority of leading commercial banks having operations in the town. In addition, the banking industry in Kenya is a highly regulated sector with strict laws on information handling, performance, and a number of stakeholders with different interests, thus requiring strategic leadership in managing relationships, communications, and information for effective coordination.

Category	Estimated Population
Branch Managers	9
Operations Managers / Supervisors	55
Relationship / Business Development Officers	85
Customer Service Officers	120
Finance / Credit Officers	81
Total Target Population	350

These categories of staff were chosen based on the reason that they are likely to have direct interactions with the leadership structures of these organisations.

Sampling Approach

The researcher employed a multi-stage sampling approach that entailed a combination of purposive, stratified, and simple random sampling approaches.

Purposive Sampling

First, this study employed purposive sampling, where commercial banks operating in Eldoret town that met the institutional requirements outlined earlier were chosen.

Sample and Data Collection

The target population was comprised of managerial/supervisory staff working in the chosen commercial bank branches located in Eldoret town. This is because these individuals are likely to have interactions with the leadership of these organisations, thus able to give an assessment of leadership behaviours and communication style.

The estimated population was based on data provided by the branches that participated in this study. The total estimated target population was approximately 350 employees working in the chosen commercial banks.

The population was comprised of various categories, as follows:

Stratified Sampling

Stratified sampling was employed, where commercial banks were stratified into various categories based on job categories of staff working in these institutions (management, operations, customer service, finance, marketing, etc.). This helped ensure that all relevant job categories were represented in this study.

Simple Random Sampling

This study employed simple random sampling, where respondents were randomly sampled within each of these categories of staff.

Sample Size Determination and Justification

The required sample size for the study was calculated using the Krejcie and Morgan (1970)

method for determining sample sizes for finite populations. The target population for the study was 350 employees. The Krejcie and Morgan table for sample size calculation indicated that a minimum sample size of 184 respondents should be obtained for a 95% confidence level and a 5% margin of error. In consideration of the possibility of non-response and incomplete questionnaires, a total of 230 questionnaires were distributed. After data cleaning for missing data, over 200 questionnaires were available for analysis.

Adequacy and Representativeness of the Sample

The sample obtained for the study was adequate and representative for several reasons:

- The sample obtained was greater than the minimum sample obtained from the Krejcie and Morgan table for the 95% confidence level and 5% margin of error.
- The sample obtained for the study was from different banks and job designations. The use of a stratified sampling method for selecting respondents from different managerial and supervisory levels also enhanced the sample's representativeness.

Sample Size Requirements for Mediation Analysis

The sample obtained for the study was greater than the required sample for mediation and structural path analysis. Research method studies recommend that a minimum sample of 100-150 respondents should be obtained for mediation analysis. Larger samples (200 and over) should be obtained for structural path analysis and for estimating indirect effects (Fritz & MacKinnon, 2007; Hayes, 2018).

The indirect effects in a model tend to be smaller than the direct effects. Larger samples help in achieving stable results in the bootstrap confidence interval method for testing mediation effects. The over 200 samples obtained for the study was thus adequate for serial mediation analysis using Hayes' PROCESS Model 6.

Measures

All constructs were measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Established measurement scales from prior leadership and organisational behaviour research were adapted to the banking context.

Strategic Silence

Strategic silence captured deliberate restraint, calibrated disclosure, and reflective communication in leadership contexts. Sample items included:

- "I intentionally pause before responding to complex issues."
- "I sometimes delay responding to a question in order to gather more information."
- "I occasionally withhold certain information until the appropriate time to share it."

Strategic Ambiguity

Strategic ambiguity measures the extent to which leaders communicate direction in ways that allow flexibility and multiple interpretations under conditions of uncertainty. A sample item was:

- "My leader communicates direction in ways that allow flexibility when situations are uncertain."

Strategic Loyalty

Strategic loyalty assessed sustained commitment and alignment with leadership direction during periods of uncertainty or organisational pressure. A sample item was:

- "I remain committed to my leader's direction even during challenging times."

Leadership Effectiveness

Leadership effectiveness reflected employees' perceptions of goal attainment, decision quality, motivational influence, and leadership performance under pressure.

Reliability and Validity

Internal consistency reliability coefficients exceeded the recommended threshold of 0.70 for all constructs, indicating acceptable reliability. Exploratory factor analysis supported the proposed measurement structure, with factor loadings above 0.60.

Composite reliability (CR) and average variance extracted (AVE) values met recommended thresholds (CR > 0.70; AVE > 0.50), confirming convergent validity. Discriminant validity was also supported as the square root of AVE for each construct exceeded the inter-construct correlations.

Control Variables and Common Method Bias

Demographic variables including age, tenure, education level, and managerial level were included as control variables in the analysis.

Procedural remedies such as respondent anonymity, voluntary participation, and separation of measurement items were implemented to reduce the likelihood of common method bias. Additionally, Harman's single-factor test indicated that no single factor accounted for the majority of variance, suggesting that common method bias was unlikely to materially influence the results.

Data Analysis

Serial mediation was examined using Hayes' PROCESS macro (Model 6) with 5,000 bootstrap resamples and bias-corrected confidence intervals.

Direct effects were estimated using Ordinary Least Squares (OLS) regression, while bootstrapping procedures were used to assess indirect effects without assuming a normal distribution of the mediation paths.

Diagnostic tests confirmed that the assumptions of linearity, homoscedasticity, independence of errors, and absence of multicollinearity were satisfied. Accordingly, the regression-based

mediation analysis was considered statistically appropriate.

RESULTS AND DISCUSSION

Results

Preliminary Analysis

Before validating the study's hypotheses, descriptive analysis and correlation analysis were performed to investigate the relationship between the key study variables: strategic silence, strategic ambiguity, strategic loyalty, and leadership effectiveness.

The results showed that the respondents perceived moderate to relatively high levels of strategic silence, strategic ambiguity, strategic loyalty, and leadership effectiveness in their respective organisations. The mean value of all study constructs was above 3.0, which is the midpoint of the scale. This implies that the respondents acknowledged the presence of strategic silence, strategic ambiguity, strategic loyalty, and leadership effectiveness in their organisations.

The results also showed that all study variables were positively related to each other at $p < .01$. Strategic silence was strongly related to strategic ambiguity and leadership effectiveness. Strategic loyalty was also positively related to leadership effectiveness, but to a lesser degree. The results provided preliminary support for the study's theoretical framework.

However, the results also showed that all study variables were below the acceptable correlation value of $r < .80$. To confirm the results, diagnostic analysis was performed to determine the presence of multicollinearity. The results showed that the correlation value was below the acceptable limit. The results also showed that the Variance Inflation Factor (VIF) was not a concern. This implies that the study variables were distinct enough to perform a reliable multiple regression analysis.

Direct Effects

Regression analysis was performed to test the study's hypothesis regarding the relationship between strategic silence, strategic ambiguity, strategic loyalty, and leadership effectiveness.

The results showed that strategic silence was a significant predictor of strategic ambiguity ($\beta = .46, p < .001$). The results provided support for hypothesis 2. The results showed that leaders who engage in strategic silence are also likely to engage in strategic ambiguity.

Strategic ambiguity was also a significant predictor of strategic loyalty ($\beta = .41, p < .001$), thereby supporting Hypothesis 3. This result suggests that leaders who are able to lead while maintaining a certain level of interpretive flexibility are more likely to elicit higher levels of loyalty from their followers.

Finally, with regard to the direct effect, strategic loyalty was the predictor that was most closely related to leadership effectiveness ($\beta = .52, p < .001$), thereby supporting Hypothesis 4. This result highlights the importance of followers' commitment to the leader as a determinant of leadership effectiveness.

Strategic silence was also a significant predictor of leadership effectiveness, as its total effect was significant ($\beta = .34, p < .001$), thereby supporting Hypothesis 1. This result suggests that leaders who are comfortable with silence are more likely to be perceived as effective leaders.

Mediation and Indirect Effects

To gain a better understanding of the mediating processes within the model, a series of mediation analyses was conducted with Hayes' PROCESS Model 6 with 5,000 bootstrap resamples.

First, the direct effect of strategic silence on leadership effectiveness was reduced to $\beta = .15$ ($p < .05$) when controlling for both strategic ambiguity and strategic loyalty as mediator variables. This result indicates that, although the direct effect of strategic silence on leadership

effectiveness was significant, a portion of the effect was mediated by the intervening variables.

The indirect effect analysis revealed the following significant paths:

Strategic Silence \rightarrow Strategic Ambiguity \rightarrow Leadership Effectiveness

Strategic Silence \rightarrow Strategic Loyalty \rightarrow Leadership Effectiveness

Strategic Silence \rightarrow Strategic Ambiguity \rightarrow Strategic Loyalty \rightarrow Leadership Effectiveness

The serial indirect effect was significant ($\beta = .09, 95\% \text{ CI } [.04, .16]$). Although the confidence interval was not within the range of the indirect effect, Hypothesis 7 was still supported as the confidence interval did not cross zero.

These results suggest that the impact of strategic silence on leadership effectiveness is direct and also mediated through a serial process involving adaptive communication and relational commitment.

Overall, the final model explained approximately 42% to 50% of the variance in leadership effectiveness, indicating substantial explanatory value for behavioural research.

Summary of Hypothesis Testing

All proposed hypotheses (H1-H7) were supported. The study's results validate the proposed serial mechanism between strategic silence, strategic ambiguity, strategic loyalty, and leadership effectiveness.

Discussion

This study investigated the role of strategic silence in leadership effectiveness and whether this relationship is mediated through strategic ambiguity and strategic loyalty.

The study's results offer strong empirical support for the proposed serial mediation model of strategic silence, strategic ambiguity, strategic loyalty, and leadership effectiveness, providing

valuable insights into leadership behaviours in complex organisational environments.

Strategic Silence and Leadership Effectiveness

The positive relationship between strategic silence and leadership effectiveness supports emerging perspectives that view silence as a leadership behaviour that is purposeful, not simply the absence of communication.

Prior organisational studies have commonly related silence in the workplace to employee fear, disengagement, or suppression (Morrison, 2014; Pinder & Harlos, 2001). However, recent perspectives on silence suggest that it could be related to reflective ability, behavioural discipline, and emotional control in leadership behaviours. Silence could be a reflection of a leader's ability to create the required time for reflection before acting or speaking, allowing for effective decision-making processes. Silence could be a leadership strategy that helps create perceptions of competence and leadership ability.

Strategic Ambiguity as an Adaptive Communication Mechanism

The result that strategic silence was a strong predictor of strategic ambiguity provides support for theoretical arguments about adaptive communication in the face of uncertainty.

Eisenberg (1984) argued that strategic ambiguity enables a leader to retain flexibility while meeting different stakeholders' demands for interpretation. This current study extended this concept of strategic ambiguity as a potential result of reflective restraint and as a mechanism for strategic silence in leadership communication. In effect, strategic ambiguity in this current study does not seem to be a manifestation of indecision, as Eisenberg (1984) argued, but rather a calculated leadership response that enables a leader to navigate uncertainty, retain flexibility, and ensure alignment with a variety of organisational stakeholders.

In a highly regulated and constantly changing industry like banking, for example, such a flexible

approach to leadership communication may be particularly useful, as a leader may be under constant pressure to communicate clearly and cautiously.

Strategic Loyalty and Leadership Effectiveness

Strategic loyalty was found to be a strong predictor of leadership effectiveness, a result that is consistent with social exchange theory, which suggests that relationships based on trust, reciprocity, and commitment are more effective in producing organisational outcomes (Blau, 1964; Cropanzano & Mitchell, 2005).

When a leader is perceived as thoughtful, composed, and adaptive in their communication, it is logical that followers will perceive these leadership characteristics as a manifestation of competence, integrity, and reliability, factors that are more likely to foster relational commitment and possibly cooperation with leadership direction. The strong effect of strategic loyalty as a predictor of leadership effectiveness suggests that leadership effectiveness may not be solely dependent on what a leader does, but on how well they are able to build relational bonds with their followers.

The Sequential Mechanism of Leadership Behaviour

One of the most important contributions of this study has been in validating the sequential pathway:

Strategic Silence → Strategic Ambiguity → Strategic Loyalty → Leadership Effectiveness

The above process implies that leadership effectiveness is an outcome of an interrelated process of behavioural regulation, communicative flexibility, and relational consolidation. In other words, strategic silence is not an effective construct on its own; however, it appears to be more influential when it facilitates strategic ambiguity, which in turn positively impacts strategic loyalty to ultimately affect leadership effectiveness.

The study also extends the DCT by focusing on the processes of sensing, seizing, and reconfiguring an organisation to adapt to changing environments. By considering strategic silence as an outcome of strategic sensing, strategic ambiguity as an outcome of strategic seizing, and strategic loyalty as an outcome of strategic reconfiguring, we are able to bridge strategic management theory with leadership behaviour research while addressing the need for an integrative multi-theoretical approach to leadership study.

Practical Implications

The study also offers a number of practical implications for leadership development in regulated environments such as the banking industry.

Leadership development programs need to take a more nuanced view of strategic silence. Leaders are not always required to act immediately on an issue. In many cases, the ability to pause, reflect, and act strategically may be an advantage for the leader.

Organisations need to take a more balanced view of strategic ambiguity. Ambiguity is not always dysfunctional. Ambiguity can be an important means of managing strategic flexibility, managing uncertainty, and avoiding closure in the strategic process. Ambiguity must be balanced to ensure that it does not lead to perceptions of manipulation or evasiveness.

Third, the prominence of strategic loyalty implies that organisations need to develop trust-building practices, fairness, and communication processes to strengthen followers' loyalties. This is because loyalty had the strongest direct effect on leadership effectiveness.

Broader Implications

Although the study was specific to commercial banks operating in Eldoret, Kenya, it is possible that the study's implications can be generalised to other settings that are also complex, have regulatory requirements, and are subject to

changing stakeholder expectations. Such settings would include public institutions, multinational corporations, or digital organisations.

In such settings, it is possible that leadership effectiveness is not so much about visibility or timely response but about the ability to act with restraint, flexibility, or relational intelligence. This is an important implication of the study because it challenges conventional assumptions about the need for explicit communication to be an effective leader.

Limitations and Future Research

Despite the study's contribution to the existing literature, it is not without some limitations.

One limitation is that the study was based on a cross-sectional design. Even though the results are consistent with the proposed theoretical model, future studies need to be designed to investigate the evolution of leadership behaviour over time.

Second, the study was based on commercial banks operating in Eldoret, Kenya. The generalisability of the study to other settings is therefore questionable. Future studies need to be based on different settings to strengthen the study's external validity.

Finally, the study was based on self-report measures of perceived data. To strengthen the study's validity, future studies need to be based on multiple sources of data collection.

Future studies could also explore other possible moderators, including organisational culture, psychological safety, regulatory pressures, or even power distance orientation. These factors could help identify the limits under which strategic silence/ambiguity would positively contribute to, instead of negatively affecting, leadership effectiveness. Future studies could also explore possible curvilinear effects of strategic silence/ambiguity, given that too much of it could eventually damage trust and leadership effectiveness.

Conclusion

In conclusion, this study has shown that strategic silence is not just a passive or avoidance-oriented action; rather, it is a potentially valuable leadership trait. Its impact on leadership effectiveness is shown to be both direct and indirect via strategic ambiguity and strategic loyalty. In confirming this serial process, this study contributes to the increasing body of research on subtle leadership styles and the significance of reflective, flexible, and relationally informed leadership in contemporary organisations.

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