meaning.[80] Derrida (1999a) calls this combination of differing and deferring *différance*.[81] The iteration of a sign is never 'pure' but always different and forever new – driven by the creative force of différance (Derrida 1999b: 325). For Derrida, the possibility of repetition requires a mix of sameness and difference.

The neologism différance can be thought of as the antagonist of the transcendental signified that paralyzes the deferment of meaning and contributes to the establishment of a metaphysics of presence. The double meaning of the term, uniting the two verbs 'to differ' and 'to defer', points out that differences among signs are held not only in space but also in time: to differ is at the same time to defer (Derrida 1999a). Concerning the spatial dimension, différance represents the creation of differences ('to differ') among signs and thus helps to negatively define the sign's meaning. As stated above, this meaning is never present but *dispersed* along the chain of signifiers. Hence, différance also states that the meaning of a sign can never be present, original, or full, but is constantly postponed ('to defer'). Derrida (1986a: 67-70) sums this up as follows:

> "This chaining process means that each 'element' [sign] is constituted from the trace of other elements it carries in itself. […] *Diffèrance* is the systematic play of differences, of traces of differences, of the spacing [the spatial dimension] by means of which elements are related to each other. […] The 'a' of différance, however, also implies that this spacing is a temporalization, a detour, a deferment, by means of which […] the relation to presence, a present reality of being is always deferred (différes)." (emphasis in the original, annotation added)

Différance shows that signs are not a homogenous unit bridging an origin (referent) and an end (meaning) as Saussure's semiology implies. The deferring and differing effects of différance move meaning to a future state

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[80] Now, we can understand why Derrida refuses to clearly define deconstruction. He states "[t]he word 'deconstruction', like all other words, acquires its value only from its inscriptions in a chain of possible substitutions [supplements], in what is to blithely called a 'context'. (Derrida 1985: 4, annotation added). Therefore, "[d]econstruction does not exist somewhere pure, proper, self-identical, outside of its inscriptions in conflictual and differentiated contexts; it 'is' only what it does and what is done with it, there where it takes place." (Derrida 1995a: 144). Deconstruction is always different from one context to another (Derrida and Norris 1989: 73).

[81] In French, the 'a' of différance remains silent when pronounced and can only be recognized in the spelling. Différance only exists in writing – an allusion to the speech/writing opposition. The noun 'différance' contains the verb 'différer' which has a twofold meaning in French: to differ and to defer. Différance is a polysemantic term which emphasizes that one has constructed something that continually breaks up in a chain of different substitutions (Rorty 1977: 677).

that can never be grasped. Derrida shows that there may be numerous legitimate interpretations of a text because meaning is always 'in the coming'. Différance acknowledges that the constituting differences of meaning do not appear from nowhere and are not the product of a closed Saussurean linguistic system, but owe their identity to différance. The ongoing movement of différance upsets the idea that there can be something like fixed differences that call the pure meaning of a sign into existence. If we accept that language produces 'the text' that we use to make sense of the world, but language as a system of signs does not give rise to some form of objective meaning, we see that différance runs all the way through ideas like truth or presence. Différance comes before being; similarly: a trace comes before the presence of a sign – a trace marks the absence of a presence.

The deconstruction of the sign that is discussed within this section follows the general deconstructive pattern as introduced in section 4.2.2. The underlying opposition signified/signifier, stemming from the Saussurean sign model, is criticized by Derrida for privileging the signified as being transcendental. In deconstructing the opposition, Derrida overturns its hierarchical structure by claiming that the signified is the product of differences among an endless chain of signifiers that act as its supplement and thus shows that it is impossible to separate the signified from the signifier. Derrida thus challenges the Saussurean idea of *difference*, which assumes that for meaning to be created the signs X and Y need to be clearly distinct from each other, and instead argues that such pure difference is not possible because X already contains Y, as it is partly defined by it. It is by means of this supplementary logic that the ambivalence of the meaning of 'the text' so fiercely promoted by différance is perpetuated.[82]

Although the deconstruction of the sign is just one exemplary deconstruction, it alters all other principles of the conceptual structure of metaphysics (Bennington and Derrida 1994: 45). Because of the natural instability of language there is no reason to assume that one can come up with a fixed and transparent meaning of a text; indeed any text remains 'open'. If 'the text' runs through all categories of our life and the meaning that emerges in this text cannot be fixed but is constantly reshaped by dif-

[82] Derrida (1981a) calls this ambivalence of texts *dissemination*. Every 'reading' of a text contains new meanings because every 'reading' takes place in a new context (see section 6.3.1). From the moment a text comes into being, dissemination destroys its determined, hegemonic character. Dissemination strongly affirms the anti-unity of meaning. Derrida (1995b: 224) therefore claims: "As for the 'plurality of filiations' and the necessity of a 'more differentiated perception', this will always have been my 'theme' in some way, in particular, as signaled by the name 'dissemination'. If one takes the expression 'plurality of filiations' in its familial literality, then this is virtually the very 'subject' of 'Dissemination'."

férance, we need to admit that différance is always and everywhere at work. There is no predefined limit to the applicability of différance. As Caputo (1997: 104) claims:

> "Derrida also generalizes what was originally a linguistic model in Saussure so that *différance* is not restricted to language but leaves its 'mark' on everything – institutions, sexuality, the worldwide web, the body, whatever you need or want. […] like language all these structures are marked by the play of differences. […] Wherever one is, one is placed within a play of differences, 'received' or 'inscribed' within *différance* […]." (emphasis in the original; similarly see also Agger 1994: 503 and Ortmann 2003a: 100)

Because there is différance, there is the impossibility of pure presence in the sense of an absolute meaning. For Derrida this logic takes the form of a law, a law that not only affects writing or speech but also experience in general. This is why he claims: "I shall even extend this law to all 'experience' in general if it is conceded that there is no experience consisting of *pure* presence but only of chains of differential marks." (Derrida 1995a: 10, emphasis in the original) As will be shown later on, the deconstruction of the sign and its consequence (i.e. différance) has serious implications for our identified oppositions. The meaning of one end of an opposition (e.g., the environment) is not self-defining, objective, and clear, but owes its existence to its supplement (e.g., the organization). Because there is no transcendental signified in general, 'the text' of strategic management cannot rely on concepts (e.g., strategy formulation) that are full of meaning. Indeed, these concepts only gain meaning from their supplements (e.g., strategy implementation), and this constant recreation of meaning between the two poles is never fixed and finalized but always subject to différance. Indeed, at the point at which we recognize that the concept of différance is relentlessly at work, all the conceptual oppositions that refer to a metaphysics of presence vanish (Derrida 2002: 26).

4.2.4 The Deconstruction of the Social – About (Con)Texts

If we want to apply deconstruction to strategic management, we enter the territory of the social sciences. The notion of différance is, as the quote of Caputo at the end of the preceding section shows, also relevant in the social context. But how are we supposed to think of deconstruction with reference to the continued existence of social order? Obviously, the work of Derrida is not genuinely rooted in social theory, however his way of thinking can be potentially used in this context (Agger 1994: 501-505; Agger 1991: 114; Leledakis 2000: 175; Ortmann 2003a: 88). To make use of de-

construction in the social sciences requires once more a discussion of Derrida's understanding of text, this time however in another context.

If the world is textualized via language as claimed in section 4.2.2 and the structure of language is not stable by itself as discussed in section 4.2.3, we can argue that other social structures share the same fate. Similar to a written text, the social text is subject to différance. Yet, we can say more about the relation between 'the text' and the social world, if we consider that social action always happens in a *context*. Then, we can specify that

> "[t]he phrase which for some has become a sort of slogan, in general so badly understood, of deconstruction ('there is nothing outside the text' [*il n'y a pas de hors-texte*]), means nothing else: there is nothing outside context." (Derrida 1995a: 136, emphasis and annotation in the original)

Derrida (1989b: 873) specifies this by arguing that the statement 'there is nothing outside context' means that "there is nothing but context." Meaning cannot be determined regardless of context; we always find ourselves in a context (Derrida 1979: 81).

Contexts and texts comprise the entire 'real-history-of-the-world' in which 'things' happen and meaning is created (e.g., the political, social, historical, etc.). Does this imply that text and context are simply two sides of the same coin? Not quite, because each text is only part of a context. Every element of a context is in itself a text that needs to be interpreted (Bennington and Derrida 1994: 97). A manager giving a presentation in a strategy meeting creates text (e.g., by his utterances, gestures, appearance in general) that belongs to a specific context (the strategy meeting). Therefore, Derrida's assertion that there is nothing outside context is based upon the belief that contexts consist of elements of text. Consequently, contexts do not exist as a pre-linguistic given but are themselves textualized. A context represents the textualized set of circumstances that surround situations texts are embedded in. Accordingly, Giddens (1987: 209) claims that meaning is constructed by the intersection of the production of signifiers via différance with the context (e.g., an event) they occur in. The (social) world is embedded in a constant movement of contextualized interpretations of text.

The interrelation of texts and contexts implies that one of the definitions of deconstruction would be, as Derrida (1995a: 136) remarks, to consider as far as possible the incessant movement of the recontextualization of texts. To understand Derrida's idea of context together with his claim that recontextualization is a never-ending process, we need to address a puzzling question: "Are the prerequisites of a context ever absolutely determinable?" (Derrida 1982: 310) If this were the case, we could create the

same context twice and recontextualization would be perfect iteration. Yet, there is an infinite number of possibilities that can shape contexts. No context permits saturation since 'the-real-history-of-the-world' is contingent and ensures the boundless nature of contexts (Bateson 1985: 372-378; Ortmann 2003b: 29). Hence, meaning is not only context-bound because of the ambiguous nature of language, but contexts themselves are boundless and never absolutely determinable (Derrida 2001: 17).

Culler (1982: 123) notes that contexts are boundless in two ways. First, there is a structural openness of contexts as any given context is open to further description and thus further specification. This is to say that there is no fundamental limit to what can be included in a given context. No context permits saturation and therefore cannot be described in isolation or be fully portrayed. Second, every attempt to describe a context can be grafted onto this very context, producing a different context that moves beyond the previous description. Each attempt to give a detailed description of the limits of a context therefore displaces those limits (Derrida 2001: 32). Both understandings of the boundless nature of a context highlight its arbitrariness and contingency.

This finding gives rise to a question that is important with regard to organizations: If contexts are boundless and their specifications are contingent, how are organizational actors supposed to think of the unlimited nature of contexts? What do they do to specify their contexts? People in organizations *specify (mark) contexts* through their actions and communications and thus impose meaning on the social world (Bateson 1985: 374). Social action and communication can be equated with organizational (con)text production – or to be more precise: with the specification of context-markings (Ortmann 2003b: 29). In organizations we come across a variety of context specifications: the email that invites us to a meeting ('No unauthorized entry!'), the clothes we are wearing ('Today is casual Friday!') or the gong on the shop floor ('Lunch break!'). Contexts are not a given natural ground upon which to base interpretation but constructed in a complex network of social relations. Strategies, for instance, represent the attempt to mark *future* contexts in a meaningful way through social action and communication. This is the crux of the matter: strategic management does not only deal with existing contexts and context-markings but tries to handle the contingency of future contexts.

All of this has far-reaching implications for our understanding of society in general and organizations in particular. If contexts are boundless, an application of deconstruction to strategic management focuses on the unpredictable, unforeseeable, new effects that pop up in the reproduction of social life. This points to the impossibility of perfect iterations. Just as the

meaning of signs is altered in the course of their application in different contexts, the meaning of strategies is not fixed as well. The force of différance does not suddenly come to a halt. Every reproduction means modification. The iterated object might be similar, as Maturana and Bunnell (2001: 37) remark; however, it is never *the same* since no context can be perfectly reproduced.

This implies a renunciation of a metaphysics of presence (this time also with regard to the social). To believe in a 'present meaning' would imply that whatever is at stake derives from a ground that guarantees an undeconstructible identity; an identity that is always present, ready to glow in the luminosity of presence regardless of its context of application. The deconstruction of the social emphasizes that there can be *nothing* pure and full of meaning that can serve as a foundation for an objective world-disclosure. In an even more generalizing sense, Giddens's (1984: 16-28) notion of social structure opposes presence. He highlights that structure exists only as *memory traces*. Social structure is nothing that exists 'exterior' to individuals to constrain their actions but is constraining and enabling at the same time. In this new sense, social structure can be described as a 'virtual order'.

> "To say that structure is a 'virtual order' of transformative relations means that social systems, as reproduced social practices, do not have 'structures' but rather exhibit 'structural properties' and that structure exists, as time-space presence, only in its instantiations in such practices and as memory traces orienting the conduct of knowledgeable agents." (Giddens 1984: 17)

Understanding social structures in Giddens's way shows that the ideas of deconstruction can be utilized in the context of social theory. Applying Derrida's work to social theory and strategic management in particular thus means considering Giddens's way of argumentation. Even though structuration theory owes a great deal to the work of Derrida, the adoption of some of the central ideas of deconstruction did not happen without critical reflection by Giddens himself. In section 4.2.6 we revisit some of his central objections to Derrida's thoughts.

Since we have introduced the basic lines of argumentation of deconstruction and demonstrated that it can be applied to strategic management, we are now in the position to ask for the *consequences* of deconstructive thinking. As indicated in section 1.1, one major consequence that is of relevance within the context of this study is deconstruction's avowal to paradox. As will be shown next, deconstruction affirms paradox.

4.2.5 Deconstruction and Paradox

We have discussed deconstruction as a way to undermine hierarchically structured oppositions within a social (con)text. A deconstruction elicits concepts that *cannot* be adopted into such binary structures. Deconstruction turns oppositions into supplementary relations and by doing so exposes paradox, because the supplementary relation can, when attempting to justify one pole of the opposition as a metaphysical ground, be treated as a *simultaneous* occurrence of both ends of the opposition (Derrida 1998b). This simultaneous occurrence exists only as long as we look for a *final* origin on which to base one end of the supplementary relation. To illustrate this point, consider the following example. Within scientific inquiry scholars often refer to the problem/solution opposition. First, there is a problem, which is full of meaning and is self-present. Then, there is a solution to the problem. This solution is treated as a derivation from the problem. Hence, scholars privilege the problem and treat the solution as something secondary, something that 'follows from'. A deconstruction of the opposition shows that the solution, far from being a pure derivation, constitutes the problem. The problem becomes fully defined only through the solution. While looking for a solution, people need to consider the problem (at least to a certain extent) but also define the problem.

The deconstruction of the problem/solution opposition shows that both concepts are linked through a supplementary relationship; while looking for a solution, people consider the problem yet also define this problem. If we try to get to the bottom of the problem/solution puzzle (i.e. if we try to justify why we start scientific inquiry with 'the problem' or eventually also with 'the solution'), we end up in a paradox. To search for a solution is paradoxical because the search is concerned with something *new*, but because of its novelty, we don't know where to look. If we knew exactly where to look for a solution, we would no longer face a problem. The paradox arises if we allow both ends of the opposition to occur simultaneously. The co-presence of both ends of an opposition appears once we try to justify one pole as a self-defining origin. A problem, for instance, is never *fully* present in a way that it is able to define itself. To *fully* define the problem we need the solution, and to find the solution we need the problem; we cannot have both, problem and solution, at the same time. The deconstruction of the problem/solution opposition, like any deconstruction, exposes a logical contradiction – a paradox that Derrida calls *aporia*. At first, every paradox is paralyzing and inhibits action. Yet, as will be discussed in chapter five, there are ways to deal with paradoxical reasoning. Because of its importance for the arguments of this treatise, we

first discuss the notion of paradox in general to then turn to Derrida's treatment of paradox.

What Is a Paradox Anyway?

Etymologically, the term paradox derives from the Greek and reflects what is contrary to (*para*) received opinion of belief (*doxa*). In its most general sense, paradox means a contradictory assertion. Cameron and Quinn (1988: 2) argue that a paradox "is the simultaneous presence of contradictory, even mutually exclusive elements" that disenable choice between two poles. Within this treatise, we follow a similar definition by Ortmann (2004a: 18) who argues that paradoxical reasoning is reasoning whereby the enabling and constraining conditions of a line of argument coincide. In other words, paradox (aporia) occurs when reason either contradicts *itself* or *experience*.[83]

A paradox that occurs when *reason leads to self-contradiction* is discussed by Baggini and Fosl (2003: 108). Consider the following statement: 'This statement is false.' The paradox comes about if we ask whether this sentence is true or false. If it is true, then it is false. But if it is false, it is true. So the utterance is both true and false at the same time. Epimenides's liar paradox takes a similar form. If someone asks 'If I say I am lying, am I telling the truth?', (s)he utters a falsehood as long as (s)he is lying. This is no problem as long as the statement is not used in a self-referential way. But if someone who just uttered this statement says 'I am not telling the truth', (s)he is lying, and actually *is* telling the truth. Again, the paradox

[83] We use the terms paradox and aporia interchangeably. However, it should not go unnoticed that the term aporia is usually used to describe a difficulty, perplexity or a kind of hopelessness that does not necessarily lead to impossibility (i.e. a logical contradiction). *Webster's Third New International Dictionary* (1993: 101) refers to an aporia "as a problem or difficulty arising from an awareness of opposing or incompatible views on the same theoretic matter." By contrast, paradox is about a logical contradiction that arises because the enabling and constraining conditions of a line of argument coincide. Paradox is defined in a narrower sense than aporia. An aporia is about thought-provoking contradictions, while paradox contains two contradictory propositions to which we are led by seemingly sound arguments. We focus our analysis on the formal/logical treatment of paradox and not on informal or rhetorical notions. Informal types of paradox occur for interesting and thought-provoking contradictions of all sorts (Poole and Van de Ven 1989: 563), while rhetorical types of paradox occur if the author concludes something contrary to what has been expected (Lado et al. 2006: 117). For a discussion of the nature of paradoxes see Baggini and Fosl (2003), Clark (2002), and Sainsbury (1988).

arises because the original statement is both true and false since if it is true it is false and if it is false it is true (Clark 2002: 99).

A more mundane form of paradox arises if we consider that *reason can also contradict experience*. Consider the following example by Zeno of Ela: In a race of Achilles with a tortoise, Achilles gives the tortoise a head start. Although the tortoise is slow, it moves at a constant speed. In the time it takes for Achilles to reach the point of the tortoise, the tortoise will have moved on (call it point A). If Achilles moves to point A, the tortoise has moved on again and is now at point B. It seems like Achilles cannot overtake the tortoise. This is paradoxical, because apparently there seems to be nothing wrong with our reasoning, but from our mundane experience we know that Achilles will overtake the tortoise easily. So we either accept that our reasoning is wrong (although we do not know why) or accept that overtaking is not possible (although we know it is).

Every paradox leads to contradiction that cannot be resolved by using standard rules of logic. A paradox is always the unity of a distinction, the simultaneous occurrence of two horns of an opposition at the same time (Luhmann 1995c: 46). In the first example, the distinction true/false appears as a unity leading to indecision. The same holds for the second example in which we think our reasoning is true, but at the same time need to admit that from our experience this cannot be. In this treatise we refer to both forms of paradox, as the paradoxes of strategy research can be described as *self-contradicting reasoning* and *reasoning contradicting experience*. For instance, when referring to strategic rules, we cannot say that we follow a rule – if our reasoning defines a rule as something that needs to be *iterable* – because we have to modify the rule with regard to every replication. Self-contradicting reasoning occurs because rule-following and violation seem to be necessary at the same time. This paradox can also be described as reasoning contradicting experience. We know from Derrida's reasoning that a perfect replication of a rule in different contexts is impossible. Yet we also know that we follow rules within our everyday life. Again, we face paradoxical indecision: we either claim that Derrida's reasoning is wrong (even though we can give no reason why) or accept that rule-following is impossible (while from our experience we know it is not).

Deconstruction and Paradox – The Unavoidability of Undecidables

For Derrida, paradox refers to the 'blind spots' or puzzling moments of metaphysical arguments that cannot be explained by using standard rules of logic. Deconstruction begins with an encounter of these 'blind-spots' that must be *overlooked* to make presence seem undeconstructible (Lucy

2004: 1-2). According to Derrida (1998b: 23-36), a paradox describes a situation in which we do not know to which side of the opposition to turn. Since paradoxes are inevitable and not reducible, Derrida speaks about their necessary endurance. To experience a paradox means to endure its un-logic with passion, or even more: 'a passionate suffering'. At least we need to try to experience the impossible (although the impossible itself prevents access [Derrida 1991: 33]) and give justice to its existence: we need to try not to become paralyzed but to get to know the *necessary* limits of reasoning (Derrida 1992a: 16).

Why then does deconstruction not inhibit action; after all, a paradox is about impossibility? The paradoxes that are uncovered by deconstruction are only impossible in a narrow sense. Their impossibility is limited to the establishment of a presence that is self-defining and originary. This is why there can be no metaphysics of presence; any such status results in paradox. After all, this fits our argumentation: the dominant logics of strategy research claim that there is a presence of meaning (e.g., the objective environment or the 'fully present' strategic rule), while we contend that this argumentation results in paradoxical indecision that has been overlooked thus far. In consequence, the impossibility that is attached to a paradox occurs only if we try to establish a full and self-defining origin in our thinking (Powell 2006: 59). .

Consider the following example to illustrate this point: A strategic rule submits to a metaphysics of presence, if we believe that it can be *perfectly* iterated. In this way, the meaning of the rule is 'full' of meaning, self-present, and determines its application. Deconstruction shows that such a conception of strategic rules is impossible (in fact paradoxical) because rules are inevitably modified within their application (see section 6.3.2). Hence, the impossibility of paradox is *limited* to the self-defining nature of one end of our oppositions, yet this self-defining nature is exactly what the dominant logics propose. It is paradoxical that the environment defines itself and *determines* organizational strategic conduct, that strategic decisions fully justify themselves and *determine* strategy implementation, and that strategic rules and resources foresee their conditions of use and *determine* their application. If we accept impossibility as a limit to our reasoning and explore ways to unfold paradox, we can use paradoxes creatively. For instance, if we say that generic strategic rules *necessarily* differ from themselves once they are applied (at least in part), we not only circumvent the paradox but also show how strategizing despite paradox becomes possible.

Although paradoxes are insoluble, they represent *necessary* illogicalities. They demonstrate that the 'truths' that the dominant logics claim to

have established are based on self-contradictory reasoning; to merely account for the possible means to perpetuate the belief in foreseeable causalities (Derrida 1998a). Yet, paradox cannot be uncovered by the dominant logics themselves, but only once we allow deconstructive arguments to creep into our analysis. The altered set of metatheoretical assumptions that come along with deconstruction permit us to show to what extent traditional reasoning in strategic management is based on (but at the same time obscures) paradox. These assumptions illustrate that strategies are not a product of a rational calculation that gets by without any human considerations, a machine-like metaphysical scenario in which paradox is simply overlooked. To give rise to its own impossibility, any paradox must invoke that which is outside of the subject's control (e.g., an 'open' context or a contingent future).

Derrida has an unusual way of addressing and highlighting paradoxes within his writings. Because deconstructive thinking reveals the impossibility of fixing one side of an opposition as privileged and self-defining, it needs to pay special attention to concepts that favor a both/and-logic to portray moments when meaning cannot be satisfactorily decided. Derrida (1995b: 86) terms these concepts *undecidables* because it becomes undecidable to which side of the opposition to turn to. Undecidables function from within oppositions and undermine them. They represent the unity of the opposition and cannot be reduced to oppositions, because they disorganize them without providing a solution in the form of a Hegelean *Aufhebung* (Derrida 1981b: 43). A prominent example for an undecidable is the term différance which means to differ and to defer *at the same time*. Différance helps us to underscore the paradox that arises according to the deconstruction of the sign. This paradox refers to the presence and absence of the meaning of signs. On the one hand, to say that a sign *is,* is to say that it differs. On the other hand, to say that a sign differs means that insofar as it differs, it also defers its meaning endlessly. The existence of two contradictory meanings within a single term lies at the heart of undecidables. Undecidables constitute the ambivalent sphere in which opposites are opposed and in which the meaning of one term relates back to the other. The resulting concept of rationality no longer issues from a logos that represents the 'real' essence or truth of things, it yields no better theory of truth, but is "an intellectual predisposition specifically attuned to the aporias which arise in attempts to legitimize truth claims." (Chia 1996: 19)

4.2.6 Deconstruction – Critical Arguments

Deconstruction is often equated with destruction and annihilation rather than the dismantling of deeply entrenched, metaphysical structures of thought. It is not uncommon to portray Derrida as an anarchist, nihilist, and relativist destroying our beliefs in values, institutions, and even truth itself (Caputo 1997: 36). Any serious discussion of Derrida's ideas requires hearing the arguments of these critics. When looking at contemporary philosophical and sociological discussions, one can identify at least three objections that are worth mentioning: (1) deconstruction is subject to a performative contradiction, (2) deconstruction favors a relativism of meaning in the sense of an 'anything goes', and (3) deconstruction promotes a retreat into 'the text' and neglects referents in the 'real' world.

The first objection, the existence of a performative contradiction, is raised by Habermas (1990: 185) who argues that Derrida's own tools of thought (constituted by the language he uses) are themselves imbued with a metaphysics of presence. Language, which is the only available medium to uncover the insufficiency of logocentric thinking, already possesses logocentric characteristics. In line with this argumentation, Steiner (1990: 173) argues that because deconstruction does not hold a meta-language that can divorce itself from différance, Derrida's propositions with regard to the nature of language cancel each other out. One cannot think about the constitution of meaning through language in a 'safe' manner, if there is no meta-language that acts as a point of reference. Derrida claims that meaning can never be fully grasped yet writes and speaks to be understood – at least in some way (Lilla 1996: 401).

Derrida is aware of the fact that he does not possess a non-metaphysical language that would allow him to simply step out of conventional thinking. He recognizes that "*it is pointless* to renounce the concepts of metaphysics if one wishes to refute metaphysics itself." (Derrida 1976: 426, emphasis in the original, translation A.R.) Thus, he knows very well that he cannot do without metaphysical concepts like reason and truth. Yet, he puts these concepts in a new context to transform and reinterpret them (Forget 1991: 52). These contexts not only give rise to another way of understanding metaphysical concepts but also rest on a different (deconstructive) logic of sensemaking. The dream of an all-encompassing context devouring all truth claims is not a Derridean dream, although it is perceived by Habermas as such (Forget 1991: 56).

The second objection, deconstruction subverts truth by affirming an 'anything goes', is again raised by Habermas (1990: 198) who claims that Derrida's work implies that "any interpretation is inevitably a false interpretation, and any understanding a misunderstanding." For Habermas

(1990: 197) this is further evidence for the "relativism of meaning that Derrida is after." If language really is structured by différance, there can be no solid foundation, no fixed point of reference, no authority or certainty, either ontological or interpretive. Everything can be put in question, that is, viewed as arbitrary, with the result that assumptions of coherence of a text become radically shaken. The notion of truth becomes out of reach, making a consensus among people impossible. Other scholars have gratefully taken up Habermas's claims. Steiner (1990: 175) asks why authors should go through the trouble of writing and readers through the trouble of reading if understanding cannot be reached. Similarly, Lilla (1999: 188) argues that deconstruction stands for a neutralization of all assessment criteria (e.g., in science) to leave judgments to the random mood of people. Does deconstruction mean that you never have to say you are sorry because truth and validity claims are discounted?

Derrida (1995a: 137) has explicitly denied being a relativist. He does not question the concept of truth *as such,* but rather a *singular, all encompassing, and final truth*. Texts, therefore, do not have no meaning, but too many meanings to fix them in a comprehensive way. This is because 'truths' can only appear in language and relative to a context of interpretation. In addition, language, context, and interpretation hold certain characteristics that prohibit the achievement of one truth: language does not purely represent the referent as the 'thing in itself', contexts for interpretation are boundless and infinitely extendable, and interpretations always refer to preceding interpretations that faced the same set of circumstances. All of this is *not* to deny the existence of the world of objects and events, but rather to hold the referents at bay and look at how language shapes their meaning in ever new contexts. Hence, no interpretation can claim to have captured *the truth* but only *a truth* in context.

> "This way of thinking context does not, as such, amount to a relativism, with everything that is sometimes associated with it (skepticism, empiricism, even nihilism)." (Derrida 1995a: 137)

If deconstruction seeks not to destroy meaning and truth but exposes their production as context dependent, we need to ask whether consensus and understanding can be achieved in such a state of affairs. Derrida (1995a: 145) knows very well that stabilizations within language, in the sense of a consensus to achieve understanding, are not impossible *per se* but *relative*, even if they sometimes occur to be immutable. This relativity is a temporal and contextual stabilization of a predominant interpretation of a text. Yet, the relativity of this stability is, as Ortmann (2003a: 80) remarks, by no means relativism. Deconstruction does not subvert truth, nor does it claim that 'anything goes'. Instead, it points to the destabilizing ef-

fects that necessarily occur if one wishes to put an *absolute truth* into words.

The last objection is that deconstruction promotes a 'retreat into the text'. Giddens (1987: 199, 208, 210 and 1979: 36) argues that Derrida views language in isolation from the social environments of its use. Overwhelmed by the significance of language, deconstruction neglects the parts of the world that remain silent to make them part of an all-encompassing understanding of text. In Giddens's view deconstruction fails to relate 'the text' to an 'exterior' world in which social action takes place. Is deconstruction imprisoned in 'the text'? We can surely not deny that Derrida reconceptualizes 'the text' in a broad sense. If we recall that speech, action, gestures, and even cognition produce text, it seems like the 'real' world is sucked up by 'the text'. Notwithstanding this definition of text, this does not entail that 'the text' neglects the 'real' world, since 'the text' only suggests that all reality *contains the structure of a differential trace* and the only way to experience reality is by interpreting these traces (Derrida 1995a: 148). We cannot say that deconstruction neglects the real world but textualizes it. Textualization means world-disclosure – a disclosure that is based upon 'texted' contexts.

Giddens is right by claiming that Derrida has failed to explicitly link the notions of text production and social action, but is too enthusiastic in believing that language and text production are "[dragged] away from whatever connections of reference it might have with the object world." (Giddens 1987: 204) The German poet Stefan George (1868-1933) has brightly formulated Giddens's acquisition in the last two lines of his well-known poem *The Word*: "So, I renounced and sadly see: Where words break off no things may be." Again, Derrida does not suppose that language has the power to create or wipe out objects, but that différance generates the slippery meaning we ascribe to these objects. Of course, as Giddens remarks, these differing and deferring effects of language do not occur in some detached universe but in social practices that are embedded in contexts. Derrida makes a first step in this direction by explicitly paying attention to the notion of 'context', which is nothing but a product of (socialized) text production. To expect from Derrida an extension of his understanding of text to questions of social theory would disregard his primary field of study: philosophy.

4.2.7 Résumé – Derrida, a Postmodernist?

Derrida (1999c: 263) has never sought or welcomed the label 'postmodernism', like any label whatsoever. For him, the word 'post' implies that

something is finished, that we can get rid of whatever was before the 'post' (Derrida and Norris 1989: 72). Yet, as discussed throughout this section, deconstruction strongly rejects any definite closure of meaning. Nevertheless, when referring to the framework of postmodern philosophy (section 4.1.1), we can identify parallels between deconstruction and philosophical postmodernism. The belief in the absence of a final origin (e.g., for truth) points to Derrida's concept of reason. If there is no metaphysical ground, we cannot only read Derrida as someone who is opposed to a unified conception of reason but who pluralizes and marginalizes the latter (Welsch 1996: 245). Deconstruction contributes to the 'radicalized critique of a unified conception of reason' that we identified as a framework for postmodern philosophy. Within this framework, Derrida contributes to three of the four 'central issues': regarding epistemological and ontological questions he contributes to a *denial of a linguistic representation of reality*, regarding the role of the subject he contributes to the *de-centering of the subject,* and regarding the discursive nature of society he contributes to the idea that there must be *differences between discourses*.

The denial of a linguistic representation of reality is well reflected in Derrida's work. He claims that the signified cannot exist as independent of the signifier to represent reality in a one-to-one manner. The signified is just an effect of the differences among signifiers. Meaning is not forever fixed in a signified but the result of the play of differences in the process of signification. Meaning constituting differences exist only in the constant process of deference; meaning is subject to a permanent loss of presence. Objectivity is lost, both on the level of the sign – through the rejection of a transcendental signified – and on the level of the referent – through the renunciation of an objective world that can be captured by signifieds (Derrida 1986a: 68-71; Giddens 1979: 30-31).

Derrida also moves beyond the Cartesian conception of a unitary subject. Within deconstruction the subject is de-centered because it is itself a product, but not a master, of différance (Derrida 1986a: 70; Derrida 1982: 11). The subject has no authority for meaning and truth anymore. Derrida demystifies the fully conscious subject by claiming that no identity can ever be identical to itself, but is constituted in and through the differences of language. The 'I', as Giddens (1987: 206) remarks, cannot be conceptualized as being directly available to itself, but derives its identity from the system of signification it is involved in. The human self becomes a signifying subject only by entering into a system of differences to speak about signs that need to be interpreted. The subject is not a pre-existing and fully defined entity that comes to interact with other such entities; rather it is constituted in the process of signification (Leledakis 2000: 187). Subjects

are not the master of the significatory process but its product, because they are enabled to speak through the system of differences that constitute language. A self-conscious subject could be ascribed to a metaphysics of presence, as its identity would be self-defining and thus independent of the play of differences.

The third central issue, the rejection of the idea that there can be grand narratives that justify knowledge, is also represented in Derrida's philosophy. Deconstruction's disavowal of a metaphysics of presence emphasizes that differences are constitutive not only for signification, but for existence in general (Giddens 1987: 202). Derrida rejects any kind of totalities to point to their relational and non-universal nature. According to the notion of différance, meaning is never present, an objective truth not available, and knowledge not justifiable regardless of context. The validity of knowledge is localized depending on the context of its occurrence. From this point of view, a universal legitimization across fragmented contextualized discourses turns out to be impossible. To conclude, Derrida's contribution to the three central issues enables us to locate him in the discourse of postmodern philosophy. This is not to say that his work is postmodern *per se* as many *ad hoc* classifications, which identify postmodernism with plurality in general, assume. To which extent we can label Derrida's position 'postmodern' depends upon the (contingent) criteria we use to make sense of postmodern philosophy. After all, we have provided just one possible way to approach this question.

4.3 Deconstruction within Organizational Analysis

Although deconstruction has not been extensively applied within the broader field of business administration so far, scholars of the field of organization theory have adopted some of its central ideas. In the following, we look at and classify the existing literature, as these writings have an impact on our own deconstructions in chapter six. Because scholars of organization theory are predominantly used to thinking in binary oppositions, it is difficult for them to understand that deconstruction turns against oppositions (Knights 1997; Ortmann 2003a: 134-137). Oppositions like structure/agency, individual/organization or micro/macro-level underlie various organization theories and are only slowly dismantled (e.g., via an application of structuration theory, Giddens 1984). Organizational analysis when viewed as a deconstructive practice rejects conceptual oppositions and criticizes the existence of pure origins (for an example see Chia 1994, 1996 and Ortmann 2003a, 2003b). This kind of thinking is reflected by the

applications of deconstruction in organization studies that are classified in Figure 19. The depicted framework distinguishes three different *foci of application* that can be attributed to those authors who have used deconstruction in organizational analysis.

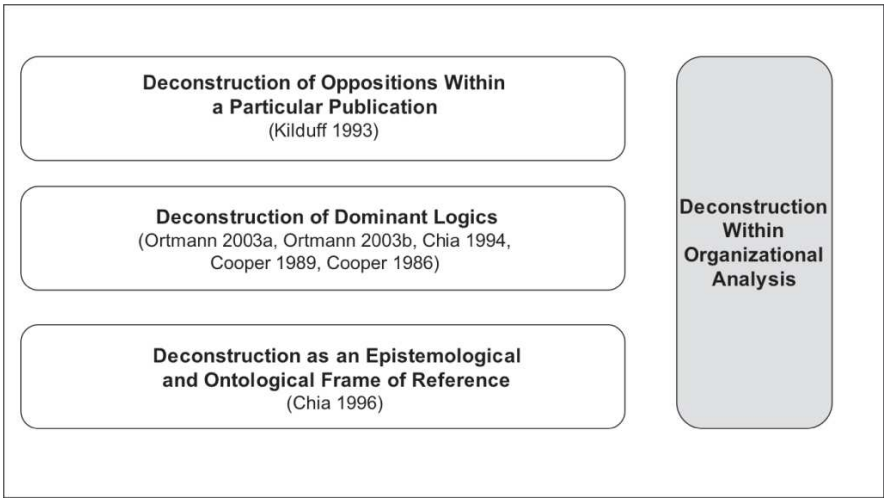

Fig. 19. Deconstruction in Organizational Analysis

First, deconstruction can be applied as an analytical tool for a 'literary analysis' of written texts within organization theory. The aim is a *deconstruction of oppositions within a particular publication* to show that the neglected term actually is constitutive of the privileged one. Second, it is possible to aspire to a *deconstruction of dominant logics* that occur within 'the text', which in this context is better understood as academic discourse, of organization theory. Thus, the meaning and assumptions that the academic discourse has attached to certain concepts (e.g., organizational order, decisions) are criticized. By deconstructing these oppositions (e.g., order/disorder), researchers reveal the paradoxes that occur when one starts to base these oppositions on a metaphysics of presence. Third, it is possible to apply *deconstruction as an epistemological and ontological frame of reference*. Scholars following this approach try to establish a 'deconstructive perspective' for conducting organizational analysis, but do not base their arguments on particular oppositions. Certainly, the three forms of application are not clearly separable; they overlap, often within the same piece of work.

Regarding the first focus of application (i.e. deconstruction of oppositions within a particular publication), Kilduff (1993) applies deconstruc-

tion in his fine-grained reading of March and Simon's (1958/1993) book *Organizations*. He 'opens' this particular text for the reader to see the pattern of conflicting relationships. By referring to the opposition non-machine/machine model of the employee, Kilduff (1993: 17) shows that the non-machine model is privileged for being able to capture what March and Simon label bounded rationality. Yet the deconstructive reading of the text demonstrates that March and Simon simultaneously denounce and glorify the machine model as they still understand the human mind as a computer that can be programmed to perform tasks. Deconstruction traces the self-contradiction that resides in March and Simon's text. That is why Kilduff (1993: 21) states that March and Simon

> "both accuse their predecessors of treating the employee as a machine and fill the absence they claim to have found in the literature with an updated machine model."

In Kilduff's view the assumption that human behavior can be programmed reappraises the machine metaphor that March and Simon wanted to abandon in the first place. The formerly rejected concept, the machine model of the employee, is thus not abandoned by the book *Organizations*, but only reappraised. If the new model of the employee is as mechanical as the old one, March and Simon's original opposition cannot be perpetuated anymore. Even though Kilduff reveals the paradox in March and Simon's text, he does not discuss how the seemingly secondary term, the machine model, constitutes the favored non-machine model. Simply showing that there is no such thing as a non-machine model of the employee in March and Simon's book does not exhaust the full potential of deconstruction. The conceptual integration and separation of both terms through a supplementary relationship would have been a necessary next step.

The second focus of application (i.e. a deconstruction of dominant logics) is reflected by Cooper's (1986) discussion of the opposition organization/disorganization with regard to the academic discourse of organization theory in general. Starting with the assertion that many scholars who deal with organizations tend to follow a dominant logic by treating them as ordered systems, Cooper (1986: 305) suggests that the work of organizations is focused upon "transforming an intrinsically ambiguous condition into one that is ordered so that organization, as a process, is constantly bound up with the contrary state of disorganization." Refusing the traditional view that organizations appear to be an already formed order, Cooper introduces a non-static boundary concept that actively differentiates between system and environment, a kind of différance so to speak. Accordingly, order is a nascent state in the process of organizing (Kornberger 2003). If organization is the appropriation of order out of disorder,

there needs to be a state of the world that makes this active differentiating possible and necessary, a state of disorder that pervades all social organizations. Cooper (1986: 316) calls this state the 'zero degree of organization' and conceives it as

> "a theoretical condition of no meaning, no form, of absolute disorder which one might call the primary source of form or organization, if the concept of 'primary' and 'source' did not call to mind the sense of an absolute origin which was itself organized." (Cooper 1986: 321)

This zero degree of organization represents a surplus – what Derrida calls a supplement – that is necessary for order to exist. Disorder and chaos do not destabilize organizations but enable them to be formed in the first place. It is this paradox, the simultaneous existence of order and disorder, which emerges from Cooper's deconstruction. Disorganization is a necessary state for organizations to occur in the first place; disorganization is a supplement without which it is not possible to speak or even write about something like 'organizational order' in the first place.

Similar to Cooper, Ortmann (2003a: 151-162), while deconstructing the opposition social role/application, also refers to the discourse of organization theory and not to a particular publication. According to the accepted dominant logic, roles reflect *generalized* behavioral expectations that are *a priori* given and thus assigned a presence of meaning that privileges them over their own application. This, however, cannot be true as an iteration of any role underlies the force of différance that ensures its constant and inevitable modification. Every application of an organizational role implies, strictly speaking, its (necessary) violation – not in the sense of noncompliance but as a new enforcement of the role. The underlying paradox is obvious: role takers have to follow and destroy their role at the same time; they have to (re)invent the role in every situation. Roles are constantly supplemented by their own application, an application that was originally thought of as a derivation. Cooper's (1986) and Ortmann's (2003a) deconstructions of dominant logics reveal paradoxes. Indeed, the discussion of the paradoxes that deconstruction uncovers is most obvious within the second focus of application (yet not entirely limited to it).[84]

[84] Ortmann and Cooper are not on their own in the sphere of deconstructing 'the text' of organization theory. Chia (1994) offers a deconstruction of conventional assumptions in decision-making. To avoid a replication of arguments, we do not discuss this particular deconstruction any further (see the comprehensive discussion in section 6.2.2). See also Ortmann's (2003b) remarks on the deconstruction of rules (also section 6.3.2) and Cooper's (1989) deconstruction of the formalist and expertise model in the study of bureaucracy.

Referring to the third focus of application (i.e. deconstruction as an epistemological and ontological frame of reference), Chia (1996) uses deconstruction as a strategy to obtain a different understanding of the assumptions underpinning organizational thinking in general. While conceptualizing organizational analysis as a 'deconstructive practice', he distinguishes between upstream and downstream thinking. Downstream thinking is identified with privileging the epistemological position of representationalism, the belief that organizational thinking can accurately describe and represent reality 'as it is'. Organizations are taken to be discrete and identifiable objects existing 'out there' that readily lend themselves to analysis (Chia 1996: 4). This mode leads away from process-oriented theories of how 'truth' in and about organizations is produced.

To overcome these problems, Chia proposes an upstream mode of organizational analysis which highlights the contextuality of actions and views organizations not as things but as an emergent process. This process is based upon the premise that linguistic constructs (like organizations) cannot be objectively described because reality is not static and representable (Chia 1996: 172). Chia refers to deconstruction as a way to show that meaning structures in organizations are never fixed, and hence representational, but subject to différance and thus unstable. This has far-reaching consequences regarding our treatment of organizations.

> "What deconstruction offers, therefore, is an alternative way of understanding organizational analysis as a form of deconstructive practice intended to resist the seductions of using readily available concepts and categories that provide the intellectual bases for traditional knowledge formation." (Chia 1996: 192)

Chia suggests that organizations are not the supposedly 'pure' phenomena we are searching after, but that the very possibility of *representing* something like 'the organization' (e.g., by a researcher) already needs to be seen as problematic (see also Moriceau 2005).

All three foci of application reveal important insights into the study of organizations by questioning taken-for-granted assumptions. As will be shown throughout the chapters to come, deconstruction can also be applied to strategic management. Our treatment of deconstruction in strategic management corresponds to the second focus of application; we deconstruct dominant logics that occur within 'the text', which in this context is better understood as the *academic discourse*, of strategic management. For us, this academic discourse (i.e. 'the text') is represented by *strategic realities* (see section 1.1) that reflect scholars' assumptions regarding the nature of strategy. These clarifications sharpen our understanding of the relation between dominant logics and strategic realities: dominant logics are patterns of *invisible* assumptions that occur in the academic discourse (i.e.

'text') of strategic management while strategic realities make these assumptions more *visible*. In this sense, strategic realities stand for 'the text' that we address within this study. Because this assertion is central to relating our argumentation to Derrida's work, we discuss it in more depth in the following section.

4.4 Strategic Realities as Text

What do we deconstruct within this study? As noted above, we treat strategic management as a text that is created and sustained within a scholarly community. Ideology, to come back to the starting point of our analysis, inscribes itself in signifying practices – the discourse of strategy – and is inscribed in 'the text' scholars generate and refer to (Belsey 1980: 42). In this sense, strategy research corresponds to a *field of meaning* that opens itself up for deconstruction. This field of meaning 'hosts' three dominant logics that we discussed in section 3.2. These dominant logics are made up of a variety of theories and frameworks that reflect certain assumptions about strategy and are thus part of scholars' strategic realities. For instance, Porter's (1985) famous notion of competitive advantage or Hofer and Schendel's (1978) perspective on strategy formulation represent specific strategic realities that are supposed to aid practitioners.

Strategic realities describe 'the text' that is produced by scholars to make sense of the problems of strategic management. Deconstruction aims at the meaning that is assigned to such central conceptions as 'strategic environment', 'strategic rules' or 'strategic resources' within these strategic realities. By conceiving strategic management as a text, we refer to the constitutive orders of knowledge and power that identify strategy research as a science. This knowledge does not exist by itself: it refers to, but does not represent, the 'real' world of strategizing within organizations. How can this be?

From our discussion of Derrida's understanding of text, we know that the distinction between signs and referents in the outside world cannot be made anymore because there is nothing beyond the system of differences that constitutes meaning. Strategic management efforts in organizations are, like the written texts on strategy, constituted by a system of differences and hence subject to the force of différance. Strategic management theory is text in the same way that a 'real' organization – with its strategic resources, strategic rules – is text. As Derrida (1986b: 168) explains:

> "That is why deconstructive readings and writings are concerned not only with library books, with discourses, with conceptual and semantic contents. They are

> not simply analyses of discourses […] They are also effective or active (as one says) interventions, in particular political and institutional interventions that transform contexts without limiting themselves to theoretical or constative utterances even though they must also produce such utterances."

Deconstruction is not simply a matter of discourse, of displacing the semantic content of the discourse; it goes through social structures and institutions (Derrida and Norris 1989: 71-72). When deconstructing a strategic reality, we do not solely deconstruct some idealized conception existing in the scientific discourse, but at the same time 'the text' that is actively *produced* in organizations while strategic realities are experienced.

For instance, Hamel and Prahalad's (1998) notion of core competences is a well-established strategic reality within 'the text' of strategy research. In experiencing and referring to this reality, strategists produce text, which makes up the social context of application and is open to interpretation. This is to say that the theoretical conception of a core competence is as much subject to différance as its application and experience in the 'real' world. The deconstruction of strategic realities, then, focuses attention on an ideology that extends from the discourse of strategy research to the world of work. Strategic realities entail strategy as a research discipline in academia and the practice of strategizing in organizations.

In summary, referring to Derrida's disseminated idea of text, strategic management can be regarded as a text on two, interrelated levels. First, the discursive settings and constitutive orders of knowledge that arise from the research of scholars in their attempts to develop strategic realities are textual. And second, the experience of these strategic realities in a social field of practice is textual as well. We cannot limit our deconstructive reading of strategic management to any of these plateaus, as this would imply that we treat 'the text' as a clear-cut object (which it is not). As Derrida (1981a: 328) puts it: "There is nothing before the text; there is no pretext that is not already a text." The scientific discourse that holds the 'idea' of strategic management is not an entirely different and clearly separable domain from the 'real' world of strategizing. This is why we described deconstruction as a *theoretical practice* (section 1.2), a practice that does not come to a halt at the ends of a scientific discourse but reaches from the world of academia to the one of strategists in 'real' organizations.

Within the realm of this text of strategic management, deconstruction begins with an encounter of the unavoidable paradoxes that have been overlooked by the dominant logics. Deconstruction equips us with a set of metatheoretical assumptions that uncover paradox. As will be shown in chapter six, whenever we use deconstructive logic to reflect on the desire of the dominant logics to establish a metaphysics of presence (e.g., an ob-

jective environment or fully rational decisions), we can demonstrate that there is a paradox that has been neglected up to this point. In this sense, the dominant logics deny their own impossibility. After all, deconstruction shows us that a metaphysics of presence (that the dominant logics try to establish) is impossible (i.e. paradoxical).

We do *not* criticize the existence of paradoxical reasoning within strategic management but its obscuration by traditional research. From a deconstructive perspective, paradox cannot be avoided when we start looking for a final origin of our reasoning. Once we learn to appreciate paradox as a necessary limit to reasoning in strategic management research, we (a) realize that the dominant logics aim at impossibilities and consequently (b) have to demonstrate that paradoxes can be unfolded and that strategizing becomes possible despite its paradoxical core. While chapter six exposes the paradoxes that have been obscured by the dominant logics and thus demonstrates that their reasoning results in impossibilities, we also need to show what strategists and theorists can learn from this impossibility and how they can strategize despite paradox. Thus, the next chapter illustrates what paradoxical reasoning means for strategic management and how deparadoxification is possible.

5 Strategic Realities – The Role of Paradox

> "One of the reasons why I find the current literature on management so repulsive is that for the most part it eschews paradox."
>
> *Ian I. Mitroff (1995: 750)*

To deconstruct means to uncover the paradoxes that reside in those strategic realities that comply with the dominant logics. Whereas chapter three outlined the *need* to expose paradox and thus to dismantle the dominant logics and chapter four introduced the *possibility* of doing so by discussing deconstruction, this chapter asks for the *consequences* of paradox with regard to the creation of *future* strategic realities. It is necessary to discuss the consequences of paradox *before* we present the deconstructions in chapter six, since we have not yet clarified (a) the value of paradox and (b) possibilities of dealing with paradoxical indecision.

The value of paradox is discussed in section 5.1. We analyze the importance and usefulness of paradoxical reasoning for creating future strategic realities. We demonstrate that paradoxical reasoning is not only necessary to dismantle the identified dominant logics but provides other advantages as well. This enables us to understand why scholars can profit from a consideration of paradox. If scholars can profit from paradox, we need to ask how they can embed paradox into their strategic realities (section 5.2)? To embed paradox, though, is not easy because we identified a paradox as something *impossible*. Consequently, we have to ask: Is strategic management impossible and how should we embed something that is impossible into future strategic realities? This question exposes an essential tension: Although we give good reasons for the existence of paradoxes (impossibility), we can observe the practice of strategy within organizations (possibility). Strategic decisions are made and strategic rules are applied. So, where is the paradox? Either our reasoning is wrong (although we provide good explanations for our arguments) and there are no paradoxes, or strategists somehow manage to cope with paradoxical indecision. From our perspective, the second issue is the case: paradoxes are omnipresent, but strategists constantly deparadoxify and thus preserve their capacity to act. To outline

the implications of a deconstructive analysis later on, we discuss how de-paradoxification happens. The final remarks in section 5.3 combine our discussion of the value of paradox (section 5.1) and the necessity to de-paradoxify (section 5.2) by outlining how the creation of future strategic realities is possible *because of* and *despite* paradox and thus paves the way for our analysis in chapter six.

5.1 Strategizing Because of Paradox

Paradoxes have a poor reputation, both within science in general and especially in strategic management (Ortmann 2004a). Our discussion of the dominant logics revealed that strategy scholars eschew paradox because they are in search of elegant and precise strategic realities: the environment *determines* strategic conduct, strategy implementation *follows* formulation, and rules and resources are *generalizable*. All of this calls for unambiguousness and not logical contradiction. Whenever paradox is invoked in writings on strategic management, it is treated as an anomalous, irregular phenomenon that should be avoided at any expense (Bowman 1980). Why should scholars *not* neglect paradox when building strategic realities? Why should they, even contrary to conventional wisdom, take paradox as a meaningful point of departure for their reasoning?

Our most essential answer to these questions has already been discussed (section 3.4.4) but is worth repeating to facilitate orientation: we cannot neglect paradox because we miss the metaphysical ground upon which to base 'final origins' (Derrida 1992a). Any disrespect of paradoxical reasoning calls for a metaphysical ground from which justifications spread out. Whenever we try to 'prove' that the strategic environment is objective or that strategic rules are perfectly generalizable (which would displace paradox), we need some sort of justification; in fact we need a *final* justification (an Archimedean point). Albert (1985: 13) argues that such a final ground cannot be found because one would end up with the uncomfortable choice between an infinite regress, a logical circle, or a dogmatic interruption of the justification process at an arbitrary point. To avoid the first two alternatives while justifying their choice of one side of an opposition, scholars often interrupt the process of justification. This, as Albert (1985: 14) remarks, comes at the price of establishing a dogma. Inconsistencies are at the heart of argumentations that are based on 'final origins' and 'definite truths' and there is no reason why we should ignore this (Poole and Van de Ven 1989: 562). Whereas this line of reasoning tells us that the

dominant logics cannot be sustained because of their *inevitable* impossibility, there are still other rationales for valuing paradox.

First, the neglect of paradox is purchased at the price of remoteness. Non-paradoxical theories might look elegant and precise, whereas in fact they obscure a great deal of the complexity we face (Czarniawska 2005). To analyze the complexity and equivocality of social life, we have to embed paradox into our theories of strategic management. In a world where managers cannot rely on ready-made solutions paradox is valuable because contradiction is the home of creativity (Fiol 1995: 71). Whenever people feel puzzled, for instance because they suddenly realize that the strategic concept they apply is in need of modification and consequently tells them less about the nature of competitive advantage than they expected, they have to be creative to work out solutions. Creativity is of importance to strategy as strategizing is often considered to be largely about originality and craft (Mintzberg 2005: 93).

Second, paradox enhances the way strategy scholars build their strategic realities. Because a great deal of strategy research is about 'puzzle solving' and the perpetuation of facts, scholars try to perfect parts of their strategic realities (e.g., a certain theory) by testing them against the 'hard' reality. Poole and Van de Ven (1989: 563) argue that this leads to a state where the theorizing process dominates researchers' thinking. Scholars are focused on ironing out problems, testing them adequately, revising them, and defending them against criticism. Consequently, they end up in a state of 'trained incapacity' to appreciate aspects not mentioned in her/his strategic reality because all that is looked out for is *consistency* with less and less correspondence to the multifaceted reality of strategizing itself. The recognition of paradox can guide us out of the box of consistent theorizing to learn to appreciate tensions that guide, stimulate, and advance more encompassing strategic realities (Lewis and Kelemen 2002). Paradox forces people to 'think twice' about that which is taken-for-granted (Lado et al. 2006: 118).

Third, paradox considers a phenomenon that is of importance to strategy scholars: equivocality. Often, the recognition that something is paradoxical is based on the insight that there is equivocality. Lado et al. (2006: 117) even argue that in most cases the recognition of equivocality is a precondition for paradox and that paradox also contributes to equivocality. According to Weick (1995: 27), equivocality refers to the problem that there are too many meanings resulting in confusion. This, of course, is perfectly in line with deconstruction. The discussion in section 4.2.3 showed that meaning is always in a state of flux and can never be finally determined. To demonstrate how paradox and equivocality are interrelated consider the

following example: In section 4.2.5 we introduced a paradox that occurs according to the relation between a problem and its solution. If we assume that the world is non-equivocal, the paradox disappears. Then, we could 'fix' the meaning of the problem and its solution; the problem would determine its solution. When acknowledging that strategic management is all about reducing equivocality and ambiguity to give an organization direction for the future (section 2.1), it becomes clear that strategy scholars should not neglect paradoxical reasoning because it is at the heart of the phenomena they are interested in.

These three issues show that a consideration of paradox is needed to accept the complexity strategists have to deal with. Strategic management loses an important resource for developing future strategic realities if we obscure paradox and act as if the dominant logics were undeconstructible. Any disregard of the limits that are indicated by paradoxes is purchased at the price of remoteness from the reality practitioners and scholars jointly face. This is why Mitroff (1995: 749, emphasis in the original) argues that "*the management of paradox* is one of the most crucial of all human activities, and as such, necessitates radically different notions of management." Yet, if we wish to '*manage'* paradox, we face a considerable tension: On the one hand, the *impossibility* that a paradox establishes is inevitable and cannot be analyzed away. On the other hand, we know that strategic management is *possible* (e.g., strategic decisions are made). This raises the question of how strategic management becomes *possible despite paradox*? What do strategists do to cope with paradoxical indecision?

5.2 Strategizing Despite Paradox

"What am I to do, what shall I do […],
now proceed? By aporia pure and simple?"

Samuel Beckett, The Unnamable

Paradoxes are irritating; they destroy our conventional order of reason and actors usually find themselves paralyzed resulting in an inability to act. The consequential prescription is clear: eliminate paradox wherever possible, for if you do not do so you are either mad or an artist (Czarniawska 2005: 129). The urge to 'solve' paradox stems from the insight that paradox violates logic: two opposing statements within the same line of argumentation are not logical. But, what can we do in the light of paradox? In line with a considerable body of literature (Luhmann 1988; Ortmann

2004a; Poole and Van de Ven 1989), we suggest that actors can strategize despite paradox. In everyday life paradoxes usually pass by unobserved (Luhmann 1988: 154). A quick look at any organization proves this point: strategic decisions are made, strategic rules applied, and strategic resources utilized. This does *not* imply that deconstruction is a waste of time, but that deconstruction uncovers the *limits* of knowledge we can possibly gain about the nature of strategizing. If we consider these limits as a regulative idea, we can unfold (deparadoxify) paradox. In this way, paradox even incites action because strategists start thinking about how to cope with a puzzling situation. Practitioners, while working on strategic problems, can proactively consider paradoxes and thus alter the way they deal with strategy context, process, and content (see chapter six). Yet, before we outline how strategizing despite paradox becomes possible with regard to strategy context, process, and content, we need to understand ways of *deparadoxification* (Akerstrom Andersen 2001). From our perspective, deparadoxification needs to be considered within future strategic realities that scholars create to 'guide' those strategic realities that practitioners generate in their attempts to handle strategic problems.

Deparadoxification is not about avoiding paradox but interrupting self-contradictory reasoning to circumvent the *purity* of paradox and to suggest meaningful ways ahead. Deparadoxification implies offering ways to unfold paradox so that the self-contradictory moments of reasoning do not appear visibly as paradox (Luhmann 1990a: 137). Because deconstruction exposes paradox (see section 4.2.5) yet does not explicitly show how to deal with paradoxical reasoning (Derrida 1992a, 1998b), our remarks on deparadoxification are not based on deconstructive reasoning. Like a paradox that guides us to the limits of knowledge, Derrida operated at the *margins* of philosophy and other discourses. As Teubner (2001: 32) reminds us, Derrida does not shy away from the precipice of paradox; he deliberately enters the dark worlds of paradoxical reasoning with passion to postpone the question of possibility to an indeterminate future. When looking at the literature on deparadoxification (Akerstrom Andersen 2001; Czarniawska 2005; Luhmann 2000; Ortmann 2004a; Vos 2002) one can identify particularly two ways to deparadoxify: temporalization and bootstrapping.[85]

[85] Ortmann (2004a) identifies a variety of other ways to deal with paradoxical reasoning (e.g., spatialization of paradox). To deparadoxify via spatialization means that the two conflicting ends of the opposition are not decoupled over time but in space. In this way, the simultaneous presence of the mutually excluding ends of the opposition is dispersed. For instance, one group of strategists deals with strategy formulation and another with implementation.

The Temporalization of Paradox – The Role of Fictions

Temporalization reflects a detachment of the conflicting ends of an opposition in time. Thus, the conflict is postponed into the future. To prevent paralyzation, people act with a sense of naivety to reflect upon their actions later (Vos 2002: 30). For instance, the justification of a decision is paradoxical because one cannot know 'the good reasons for the decision' until action (which is actually supposed to be guided by the decision) has been carried out. What do strategists do in the absence of good reasons? Usually, they work with assumptions, scenarios or visions. Statements like: 'Let us *assume* for a moment that there is a need for this product' temporalizes paradox; the paradox does not suddenly fade away but is provisionally deferred. At first glance, this approach sounds simple: 'Just do it!'; Spencer Brown (1979: 3) would have said "Draw a distinction!". On closer examination, this naivety turns out to be what Ortmann (2004c) calls the establishment of an *As If*, a *necessary* fiction. Fictions, here, are not essentially about a deliberate inconsistency of talk, decision, and action – something that Brunsson (1989) calls organizational hypocrisy – but reflect inevitable and often unrecognized anticipations that practitioners make to perpetuate their capacity to act. If we cannot come up with a final justification for a decision prior to action, we often act *as if* we had good reasons on which we can rely.

As Ifs obscure the naivety that guides our operations, if we try to get around paradox. Yet the naivety that is attached to an *As If* could be interpreted as decisionism, which is the perspective that justifications can never be completed but instead need to be interrupted by decisions that are themselves not justifiable and thus arbitrary. Is the establishment of an *As If* arbitrary? Ortmann (2004c: 207-210) offers a good reason why *As Ifs* are not decisionistic. If fictions regulate our social life, they need to be *accepted* and have to demonstrate their viability within social praxis (see also Watzlawick 2002: 14-15). The belief that is part of the anticipation may be contingent but is not arbitrary. Luhmann (1988: 154) stresses this point as well by arguing that deparadoxification depends on conditions of social acceptability that change with the transformation of a social system and society at large. Strategists experience this test for social acceptance every day when the workforce, unions or analysts reject their strategic fictions or when the *As If,* that is supposed to guide the application of a strategic rule ('Let us assume that cost leadership works for us'), turns out to be in need of modification. *As Ifs* are necessary to preserve the capacity to act despite paradox, but the *meaning* of a strategy remains a matter of retrospective fulfillment. Fictions do not 'solve' paradox; they render it invisible and help us to temporarily ignore the paradoxical foundation of an operation.

Bootstrapping and Paradox – When Fictions Are Fulfilled

Another possibility for dealing with paradox rests on self-referential reasoning itself. While paradoxical reasoning is about contradicting self-reference, there is also the possibility of displacing paradox in the sense that self-referential reasoning is not contradictory anymore. The concept of 'bootstrapping' claims that social actors often create the foundation of their own operations (Barnes 1983). Certainly, this is a self-referential operation, though one that is non-contradictory. Bootstrapping stands for operations that create the foundations that make these operations possible in the first place (Kauffman 1998: 423; Ortmann 2004a: 25). Similar to a self-fulfilling prophecy, bootstrapping links the ends of an opposition in recursive loops. For instance, a strategist describes her/his environment as hostile and thus makes this environment hostile. To start these recursive loops, the paradox needs to be displaced again. Most of the time this happens via temporalization. For example, 'We define our strategy as an innovation-minded one' reflects a fiction. Bootstrapping emphasizes that this fiction is likely to be fulfilled and then acts as the ground for the next round of strategizing. The major difference between bootstrapping and temporalization is that bootstrapping explicitly highlights non-contradictory self-reference and thus could be described as a *special case* of temporalization (i.e. a fulfilled fiction).

To better understand the bootstrapped nature of social life, we need to reflect on an *exemplary bootstrapped operation*. For this we have to consider the performative part of our language.[86] Barnes (1983: 526), following the speech act theorists Austin (1980) and Searle (1983), directs our attention to the bootstrapped character of performative *speech acts*. According to Austin (1980: 5), performative speech acts

> "do not 'describe' or 'report' or constate anything at all, are not 'true or false'; and the uttering of the sentence is, or is part of, the *doing of an action*." (emphasis added)

To use a performative speech act means to perform an action that carves out reality (e.g., nominating, firing or adjourning). Performatives do something to a state of the world rather than describing it; they form reality. *To pronounce an entity an X makes this entity an X.* This is self-referential and thus a bootstrapped operation. By performing speech acts, we make our reality into a reality we then refer to. In other words, speech acts create what they refer to. An X is whatever the individual calls an X. The boot-

[86] Performatives are just one possible type of bootstrapping. Hofstadter (1987: 315), Kauffman (1998: 422-423), and Ortmann (2004c: 56-61) give yet other examples (e.g., bootstrapping in evolutionary biology or in computing).

strapped character of performative speech acts has consequences for our analysis.

If we consider the world-disclosing role of language (i.e. speech acts) as described in section 4.2.3, it is not improper to think of strategic rules, resources, decisions, and descriptions as coming in part into existence by means of performative speech acts. Strategic management constantly relates to performatives – managers *announce* a merger or *formulate* a strategy. Consider the following example: Similar to strategic decisions, strategic rules face the paradox that they are supposed to guide application whereas their meaning can only be fixed within application. Hence, there is no self-defining origin that allows us to think of *the* rule as being self-present and the cause of itself. If there is no self-defining origin from which a rule can emerge, but we know that rules exist, we have to discuss how they come into being. One possibility of thinking of the constitution of strategic rules is to describe their application as a bootstrapped operation that is based on performatives. Then, strategic rules, which are actually supposed to guide strategic action and thus 'strategy talk', become established through performative speech acts ('strategy talk') and the related implied actions. Although the underlying paradox tells us that there is no final origin from which a self-defining rule can appear, we can describe the constitution of strategic rules as a bootstrapped operation based on performative speech acts (see Figure 20). The paradox ('for a rule to mean anything there needs to be application, yet for application to come about there needs to be a rule') is turned into a bootstrapped operation as long as we identify the constitution of strategic rules with performative speech acts ('strategic rules are established through speech acts that are actually supposed to be guided by these rules'). Thus, to analyze what strategists say can add more to our understanding of strategy than analyzing chunks of performance-related data (Hardy et al. 2000).

The performative character of strategic management has been widely neglected so far. Strategists often do things to the world: The market potential that *is announced* by the CEO is made the point of reference for strategy formation (strategy context). Synergy effects *are taken* as reasons for a merger and are thus treated as the justification for a strategic decision (strategy process). Porter's five forces framework *is classified* to be the strategic rule relevant to the corporation (strategy content). On closer examination, we see that the performative effects of speech acts are much like a fiction (Ortmann 2004c: 50). We act *as if* the reasons at hand are relevant, and this makes them reasons. We act *as if* Porter's framework can help us with the content of our strategy, and this makes Porter's frame the input for strategy content. The strategy turns out to be whatever strategists

identify to be their strategy. This is far from being arbitrary. As stated above, *As Ifs* need to prove themselves in social praxis.

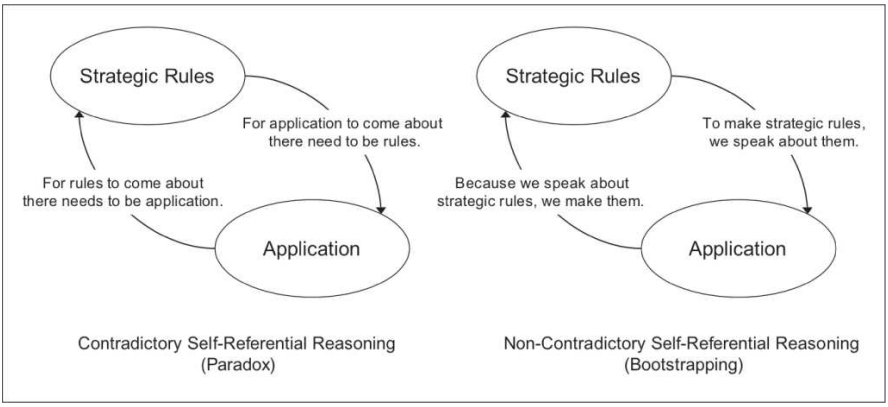

Fig. 20. Contradictory and Non-Contradictory Strategic Reasoning

Bootstrapping is operational self-reference, but of a type of self-reference that is not contradictory. Performative speech acts, which reflect bootstrapped operations, temporalize complexity and thus 'transform' paradox into a recursive step-by-step (Ortmann 2004a: 26). According to Hofstadter (1987: 137), recursive relations are not paradoxical because they consider time to a greater extent. A recursive definition is not solely defined by itself but through a '*simpler'* version of itself. Giddens (1984) gives a good example: the duality of structure, which conceptualizes structure as the medium and outcome of the conduct it recursively organizes, refers to structure in a dynamic way. The structural properties of social systems are not caught up in paradox, because a 'simpler' version of structure is the foundation for a 'more advanced' account *over time*.

To conclude our argumentation on temporalization and bootstrapping, recall that paradoxes paralyze and thus inhibit action; suddenly there seems to be no ground on which people could base their actions. This ground is missing because the paradox demands that actors consider two contradicting issues at the same time. Temporalization and bootstrapping show that people can create a ground on which further actions are based. Although this ground is *not* a final origin, it is a ground that preserves peoples' capacity to act. Temporalization bases this ground on a fiction, whereas bootstrapping emphasizes that this ground is often self-created. Of course, every fiction is a self-creation, yet not every fiction is fulfilled in *praxis*. To announce a strategy creates a ground from which further actions can unfold, yet this does not necessarily imply that this announcement

constitutes the strategy. If fictions are accepted by other actors and at least partly fulfilled, we look at a bootstrapped operation (i.e. we announce or proclaim a strategy and thus make our announcement a strategy). To grasp the role of deparadoxification within a study that addresses deconstruction, we need to discuss the relation between deparadoxification and Derrida's supplementary logic.

Deparadoxification and Derrida's Logic of Supplementarity

What first looks like an insoluble paradox turns out to be gradually formed in and by *recursive loops*. This recursiveness can also be described by referring to Derrida's (2003a) logic of supplementarity. Yet, as described in section 4.2.2, for Derrida the logic of supplementarity describes a situation that points towards paradox. It is the encounter with the impossible (with the paradoxical) that the supplementary logic primarily *aims at* (Derrida 1998b: 16), although the logic itself can be also be used to describe recursive relations (Dupuy and Varela 1992; Girard 1992; Ortmann 2003a). Derridean supplementarity turns into a paradox if we analyze both ends of the underlying opposition to occur *at the same time*. We thus have to respect that deconstruction is primarily about exposing paradox and the undecidable moments of argumentation, yet can also be employed to unravel the inherent recursiveness between the poles of an opposition (see Figure 21). To uncover this recursiveness, we need to *enrich the supplementary logic* with analytical tools that help us understand how recursiveness emerges out of paradox. Temporalization and bootstrapping represent tools that allow us to show how a paradoxical relation is turned into a recursive one (see chapter six).

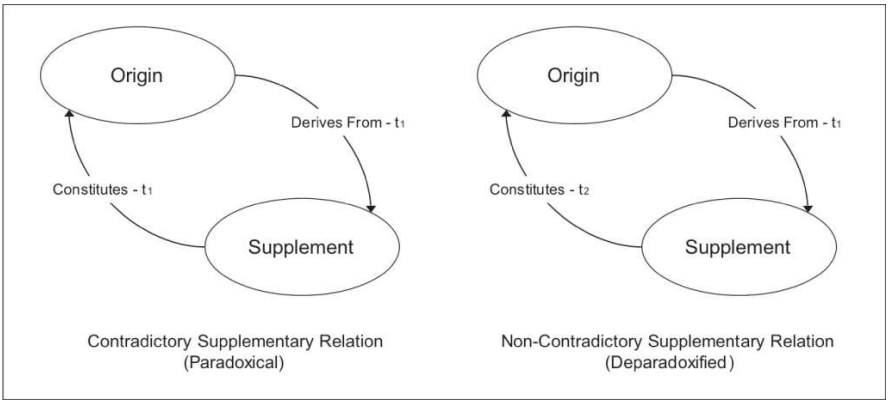

Fig. 21. Two Disguises of the Logic of Supplementarity

As depicted in Figure 21, every paradox is a problem of time, if we conceive of time in its most radical way (Luhmann 2000: 132). Deparadoxification techniques do not deny paradox "but displace it temporarily and thus relieve it of its paralyzing power." (Teubner 2001: 32) They demonstrate that we oscillate between the poles of an opposition, which are paradoxical only as long as we look for the unity of the distinction (Weizsäcker 1976). Oscillation, the constant movement between both ends of an opposition, defers impossibility and affirms what is 'to come' (Luhmann 1995c: 51).

5.3 Strategic Realities Despite and Because of Paradox

Consider that we have argued that strategy research cannot neglect paradox and should value it for a variety of reasons (section 5.1) but also that paradoxes only indicate the limits of knowledge we can possess about strategic management and that there is need to deparadoxify (section 5.2). This demonstrates that we have to incorporate both paradox and deparadoxification into our strategic realities; we need to build strategic realities *because of and despite paradox*. We have to construct strategic realities *because of* paradox since deconstructive logic suggests that paradoxes unavoidably occur once we look for final origins (e.g., an objective environment). To remind ourselves that these origins are impossible and to not get trapped in the outlined dominant logics (section 3.2), we need to include paradox. Likewise, we need to construct strategic realities *despite* paradox, as we cannot conclude the impossibility of strategic management if various authors have empirically observed practitioners' work on strategic problems (Chelsey and Wenger 1999; Liedtka and Rosenblum 1996). To conclude that strategic management is impossible neglects that firms engage in this social practice.

What we label 'The Deconstruction of Strategic Realities' in chapter six shows that strategic realities exist *because of* and *despite* paradox (Figure 22). On the one hand, our deconstructions of the strategic realities within the dominant logics have to uncover the paradoxes that strategy research has overlooked thus far. This, of course, is the classical task of any deconstruction. On the other hand, our deconstructions also aim at deparadoxfications that transform paradox into non-contradictory recursive relations. Although Derrida himself always tried to push his own analyses in the direction of paradox to show that a self-defining origin that acts as a final metaphysical cause is impossible to reach, we believe in accordance with a variety of scholars (Dupuy and Varela 1992; Girard 1992; Ortmann 2003a)

that deconstruction can also help us to develop new conceptions that 'bridge' the underlying oppositions to show their recursive connection. As noted at the end of section 5.2, to employ Derrida's deconstructive logic in the context of deparadoxification is by no means 'against his theory'.[87] Yet, to employ deconstruction in this sense implies to *enrich* (not replace) Derrida's arguments with (a) the deparadoxification techniques that were outlined in the preceding section and (b) selected insights from other theories (e.g., Giddens's [1984] theory of structuration and Luhmann's [1995b] social systems theory).

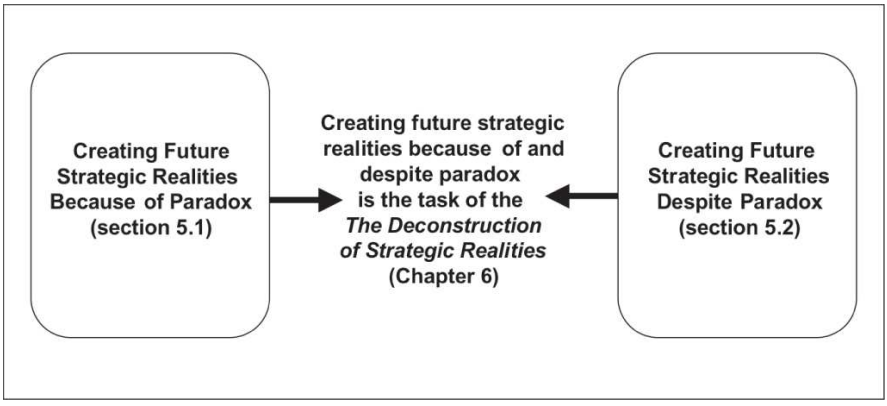

Fig. 22. Theorizing in Strategy Research Despite and Because of Paradox

Our task in chapter six is not to stress hopelessness but to *meaningfully connect* organization and environment (strategy context), strategy formulation and implementation (strategy process), as well as strategic rules/resources and their application (strategy content). Connecting oppositions in a both/and-way does not mean integrating them into a coherent whole in order to 'solve' paradox. Scholars who look for synthesis disservice theory and practice by obscuring the anxiety that arises from the copresence of oppositions (Clegg et al. 2002: 488).

Our analysis points towards the challenge of creating strategic realities *despite* and *because of* paradox. We agree with Poole and Van de Ven (1989: 575) who argue that

> "in pursuit of an elusive consistency, researchers may create self-encapsulating theories which may freeze thinking. There is great potential to enliven current

[87] Derrida (1992a: 16) knows very well that "it is impossible to have a full experience of aporia, that is, of something that does not allow passage" and also stresses that "the aporia can never simply be endured as such." (Derrida 1993: 78)

> theory and to develop new insights if theorists search for and work with inconsistencies, contradictions, and tensions in their theories, and in the relationship between them."

To work with contradictions and inconsistencies is not an easy task because to 'push' paradoxical reasoning to its limits brings about impossibility. The following chapter has to address this tension between 'the impossibility of paradox' and 'the empirical reality of strategy making'. In line with Clegg et al. (2002: 486), we believe that any treatment of paradox needs to positively regard the co-presence of opposites but also explore the recursive relationship between both poles without immediately assuming a dead end. This, then, is the primary task of 'The Deconstruction of Strategic Realities'.

6 The Deconstruction of Strategic Realities

"Every act of creation is first
of all an act of destruction."

Pablo Picasso

To facilitate orientation, recall our main way of argumentation up to this point. *Chapter three* argued that strategy scholars are skilled in creating oppositions that govern the field in an almost unnoticed way and thus led to the establishment of dominant logics. Oppositions exist because many widely used strategic realities look for 'origins' (e.g., a formulated strategy in strategy process research). Yet 'origins' cannot be fully justified; any attempt to rationalize the purity of an 'origin' results in paradox. Hence, oppositions prevent the discussion of paradoxes that are unavoidably present and in consequence lead to dominant logics. Based on these insights, *chapter four* introduced deconstruction as a kind of metascience that challenges and surpasses the metaphysics of logocentric systems, i.e. strategic realities that in our case form 'the text' to be deconstructed. This text imposes an order on reality by which a subtle repression is exercised. By dismantling strategy's logocentric oppositions, deconstruction uncovers the paradoxes that occur once a metaphysics of presence is left behind. *Chapter five* argued that to merely uncover paradoxes is not enough; any exposure of the impossibility that paradox brings about needs to be supplemented by remarks on deparadoxification. Paradoxes only represent necessary limits to our knowledge about strategic management, but we should not conclude the impossibility of strategic management. We concluded that this chapter's subject (i.e. 'The Deconstruction of Strategic Realities') must show that strategic realities are created *because of* and *despite* paradox. To consider paradox means to link both ends of an opposition together, yet without concluding contradictory self-reference (Poole and Van de Ven 1989: 567).

Our premise that 'The Deconstruction of Strategic Realities' has to consider paradox *and* deparadoxification is reflected by the method of argumentation that guides the analysis throughout chapter six. Figure 23 depicts this method of argumentation and illustrates that the deconstruction

of strategic realities with regard to strategy context, process, and content consists of four parts. In the first part of each deconstruction (sections 6.1.1, 6.2.1, and 6.3.1) we begin with a discussion of 'blind spots'. As noticed in section 1.1, the dominant logics cannot see that they cannot see the paradoxes because of their underlying metatheoretical assumptions. We expose these blind spots and introduce different assumptions from the *perspective of deconstruction*. In fact, we revisit concepts like complexity (strategy context), double contingency (strategy process), as well as the insaturable nature of contexts (strategy content).

Fig. 23. Outline of the Deconstruction of Strategic Realities

In the second part of each deconstruction (sections 6.1.2, 6.2.2, and 6.3.2) we apply the metatheoretical assumptions that were discussed in the first part to deconstruct the identified dominant logics. Each deconstruction exposes a paradox, something that is impossible. The discussed paradoxes demonstrate that the dominant logics of strategy context, process, and content aim at impossibilities and therefore cannot be sustained any longer. The third part of each deconstruction (sections 6.1.3, 6.2.3, 6.3.3) applies the deparadoxification techniques that were identified in chapter five and demonstrates how we can theorize in strategic management despite the paradoxes that we identified.

The fourth part of each deconstruction (sections 6.1.4, 6.2.4, and 6.3.4) outlines implications of a deparadoxified understanding of strategy context, process, and content. To discuss the implications of each deconstruction, we introduce undecidable terms (i.e. 'framing' for strategy context, 'improvisation' for strategy process, and 'iterability' for strategy content, see Figure 23). These undecidable terms not only constantly remind us of the paradoxical nature of strategy context, process, and content *but also* illustrate that paradoxes can be unfolded over time. We first discuss these terms from a 'theoretical' perspective to show what scholars can learn from deconstruction and then outline 'practical' implications that demonstrate what practitioners can take away from our discussion. Although both implications are based on Derrida's way of thinking, we complement his remarks with *selected ideas* from other theories (e.g., Weick's [1995] sensemaking approach or Schütz's [1967] conception of the social world). This approach is feasible, since Derrida never applied his thoughts to organizations in general or strategic management in particular.

When looking at the complete structure of analysis that underlies 'The Deconstruction of Strategic Realities', we see that it reflects the need to build theories in strategic management *because of* and *despite* paradox (see section 5.3). The discussion of the blind spots and the resulting paradoxes represent the first two parts of each deconstruction; both parts discuss the existence of strategic realities *because of* paradox (see the first grey box in Figure 23). Whereas the first two parts show that strategic realities relate to and exist *because of* paradox, the last two parts of each deconstruction show that paradoxes are conceptual limits to our knowledge about strategy and that we can build strategic realities *despite* paradox (see the second grey box in Figure 23).

6.1 Strategy Context – Beyond the Market Given

"Those who talk about the environment
determining the organizational structure introduce
some rather severe simplifying assumptions that
we are eager to erase (and replace with
other severe simplifying assumptions)."

Karl E. Weick
(1979: 135)

6.1.1 Complexity – Beyond the 'Necessity of Adaptation'

In section 3.2.1 we argued that the 'necessity of adaptation' resides in the belief that firms are part of an all-encompassing environment. The environment is seen as an ultimate point of reference to which firms have to adapt to while formulating their strategies. In the following, we discuss more closely why such a conception of the organization/environment relation obscures paradox. To unfold our reasoning, we must *assume* for a moment that the paradigm of adaptation was right: organizations adapt to an objective environment that displays the ultimate form of complexity.[88] If the 'necessity of adaptation' were right, the environment would represent a definitive point of reference that tells organizations how to identify themselves and their strategies. Accordingly, the *identity* of an organization (and thus the identity of an organization's strategy) is a matter of pure adaptation to the environment. The environment yields an identity for an organization's strategy that is not a product of the organization but of the environment. This identity is 'pure'; it is self-defining and origin of itself; it needs nothing else to come into existence. That is why Derrida (1992d: 9-10) argues that such an identity, if it were to exist at all, were identical to itself.

Pondering about the possibility of such a 'pure' identity, an identity that simply is the product of some higher authority (i.e. the environment), Der-

[88] Because deconstruction argues for the irreducibility of meaning, Derrida (1995a: 118-119) has explicitly linked the problem of meaning and context to the fact that 'the text' represents the complexity of the world (see also Cilliers 2005: 259). Knowledge about referents always remains provisional. Luhmann (1995b: 24) gives a more formal definition of complexity: "A definition of complexity follows from this: we will call an interconnected collection of elements 'complex' when, because of immanent constraints in the elements' connective capacity, it is no longer possible at any moment to connect every element to every other element."