What are the contributions of a practice perspective on strategy? First, a focus on strategy practices allows us to study strategy in its micropolitical and historical context to pay attention to existing power relations and the identities of the actors involved (Knights and Morgan 1991). Second, Strategy-as-Practice allows us to refocus research from cross-sectional macro-analyses, in which firms are treated as black boxes, to concentrate on the 'real work' of people. In pursuit of their aims, strategists engage in a variety of practices that are worth studying. Third, and from the perspective of this study probably the most important contribution, to research Strategy-as-Practice disregards the opposition between strategy process and content. As indicated in chapter two, strategy context is usually not seen in opposition to process and content, since process and content cannot be meaningfully investigated without any reference to context (et vice versa). Nevertheless, strategy process and content research are often conceptualized as an opposition (Ketchen et al. 1996; Moore 1995). From the perspective of Strategy-as-Practice, both the formation of strategy (process focus) and the outcome of strategizing (content focus) occur in and refer to practices. Certainly, scholars can focus their investigation of strategy practices on either content or process issues. Nevertheless, whenever one is studying the improvisations that happen within the strategy process, one is also studying the enactment of strategy content.

To conclude, deconstruction is one perspective which shows that the question 'What constitutes a winning strategy?' is not answerable in principle, but only with regard to the situated practices of people. We cannot eliminate the difficulties of defining competitiveness by gathering more cross-sectional data about entire companies, but need to start studying what strategists do, how they do it, and in what situations they do it. Like in medicine, where no practitioner or researcher can make meaningful statements without some knowledge of anatomy, strategic management should take its anatomy more seriously. Yet, to explore the anatomy of strategy, we first need to know what represents a social practice in general to then discuss strategy practices in particular.

#### 7.2 'Social Practices' – What's in a Name?

As indicated in the previous section, social practices occur in praxis. Whereas the notion of praxis is fairly easy to understand, since it merely incorporates the flow of human activity, the concept of practices within this praxis deserves some explanation (Jarzabkowski 2005: 8). If social practices are important to strategic management, we need to know what a

practice is. Rouse (2001: 190) observes that this question arises with some force because of the diversity of issues included under the term. Although Derrida's work, when applied to strategic management, points to the importance of a practice perspective, he never explicitly discussed the concept of 'practice'. That is why we have to turn to authors who have defined the term 'practice'. We find such authors in a stream of research that is often classified as 'practice theories' (exemplary see Barnes 2001; de Certeau 1988; Giddens 1979, 1984; Latour 2005; Schatzki 2001, for an overview see Reckwitz 2002). Based on these authors, we describe an idealized conception of practices. To organize the discussion, we discuss two aspects of practices that are relevant to our discussion of strategy practices later on: (1) their regularized yet situated character and (2) their socially recognized nature.

First, regarding their regularized and situated character, Giddens (1976: 75) characterizes practices as "regularized types of acts." Practices are *regularized* types of behavior – repeated (routinized) patterns of activity. For instance, practices are regularized ways of consuming, learning, working, or strategizing. Whereas regularized means repeated and repetition always refers to a certain sense of generalizability, our discussion in section 6.3.3 showed that repeatability implies modification over time. Practices are shared patterns of behavior that are repeated over time and occur as *situated* activities that are bound to the idiosyncrasies of a situation (Giddens 1979: 54).

Second, concerning the socially recognized nature of practices, Barnes (2001) argues that practices are socially recognizable forms of activity. This is not to say that a single person cannot carry out a practice, but that even individually performed practices connect the person with the underlying macrosocial structure (Giddens 1979: 56). The socially recognized nature of practices is inseparable from the question of whether practices represent shared phenomena. Take the following examples: a strategist who regularly prepares a PowerPoint presentation for the monthly strategy review is conducting a practice; a team of managers meeting every Friday afternoon in the cafeteria to discuss and reflect on what has happened in the previous week also follows a practice. Is the first practice, which is carried out solo, no practice at all? Barnes (2001: 21-26) discusses this question and suggests that, while it is true that some practices are carried out in isolation, all practices have a shared character. This is because in order to prepare the presentation, the strategist needs to have learned what goes into the presentation, s(he) needs to be sensitive to what other practitioners are doing, and s(he) must continuously interact with fellow participants to factor in the changing nature of the practice itself. As Barnes (2001: 26) explains:

"It is only through the interaction of a membership characterized by mutual intelligibility and mutual susceptibility that something identifiable as a shared practice can be sustained."

The only difference between these two exemplary practices is that in the second example the interactions for the maintenance of the practice are more concentrated and immediately apparent, while in the first example interactions are more spread out.<sup>120</sup>

Based on these two characteristics, we define a practice as a socially recognized, repetitive but situated pattern of activity in which bodies are moved, objects are handled, subjects are treated, things are described, and the world is understood (see also Reckwitz 2002: 250). Practices are sets of regularized but situated bodily performances that are intertwined with ways of understanding the world. Consider the practice of playing soccer, which requires body movements (e.g., running and kicking) as well as certain interpretations (e.g., of the rules of the game). The definition also points to the importance of things (objects) that are used when carrying out a practice. Conducting a practice often implies handling objects in a specific way (e.g., a ball in soccer). The proposed definition of a practice is useful in that it allows us to discuss more precisely how strategy context, process, and content 'happen' in practices (see section 7.3). It also emphasizes more clearly that there is a difference between 'practices' (i.e. shared routines of behavior) and 'praxis' (i.e. the, often uncoordinated, flow of activity, Whittington 2006: 619).

## 7.3 Strategy-as-Practice – Towards a Framework

We have shown that deconstruction calls for a systematic discussion and consideration of peoples' practices that carve out strategy context, process, and content (section 7.1). We have also looked at selected insights from the practice-based literature to find a definition for the term 'practice' (sec-

<sup>&</sup>lt;sup>120</sup>The social character of practices is also emphasized by Schatzki (2001: 3) who argues that practices can be types of discursive activity. Language, then, characterizes social practices, because what is done is inseparable from what is said. In a late Wittgensteinian sense, Giddens (1979: 4) claims that "[1]anguage is intrinsically involved with *that which has to be done*: the constitution of language as 'meaningful' is inseparable from the constitution of forms of social life as continuing practices." (emphasis in the original) See also the discussion by Reckwitz (2002: 254-255) and Yanow and Tsoukas (2005: 5).

tion 7.2). In this section, we draw upon this definition to outline a conceptual framework that will allow us to study strategic management as a phenomenon that is based on practices in praxis (Jarzabkowski 2003; Johnson et al. 2003; Pye 2005; Whittington 2002a, 2004). To research strategy as a social practice, we need a taxonomy of terms and concepts that enable us to better understand what a strategy practice is and how it relates to the work of strategists. In the following, we introduce a classification scheme to guide research that takes the idea of Strategy-as-Practice seriously. By doing so, we aim primarily to advance future theorizing 'After Derrida' in the field of strategic management. To do so, we must ask: How can we research strategy as a practice? A good point of departure for discussing this question is Whittington's (2002b) distinction between *strategy praxis*, *practices*, *and practitioners*.

Strategy praxis is what is actually done, i.e. the work of strategizing in organizations. The praxis of strategists consists of formal and informal strategic activity that is reflected for instance by strategy meetings, top management away-days, strategy reviews or lunch break conversations. Unlike social practices, which pertain to a pattern in a stream of activity, strategy praxis describes the whole of human action with regard to strategy. Of course, as Jarzabkowski et al. (2006: 6) remark, the notion of strategy praxis alone is too sweeping and ambiguous to come up with meaningful research results. One needs to identify further analytical points to concretize what happens within strategy praxis.

The concept of *strategy practices* is useful in substantiating the rather broad nature of strategy praxis. Strategy practices are the 'done thing', in the sense of repeated patterns of activity with regard to a specific aspect or issue of strategy. In other words, within their strategy praxis, practitioners draw upon strategy practices to construct what is then perceived as a firm's strategy. Strategy practices can be derived from the larger social fields in which an organization is embedded (e.g., consultants promote 'empty' strategic concepts or there are certain industry-specific practices such as routines of environmental scanning, Porac et al. 1995). Yet strategy practices can also be developed by an organization without any formal reference to institutions 'outside' the firm. Jarzabkowski (2003) suggests that strategy practices are habitual operating procedures. In her empirical study of three UK universities, she identifies three exemplary practices: direction setting, resource allocation, as well as monitoring and control. Even though other firms may have similar practices in place, the organizations that Jarzabkowski (2003) studied did not derive these practices from 'outside' but developed them out of the ongoing flow of strategy praxis.<sup>121</sup> Strategy-as-Practice research is not focused on these practices *per se* but investigates how organizations put them into use. The issue is not whether a firm *has* a strategy practice, but what it *does* to make this practice 'alive'. Jarzabkowski (2005: 10), for example, quotes the strategy director of a telecommunications company who discusses the use of the Value Chain Analysis (i.e. a strategy practice that this company adopted):

"It's linear and really what we are dealing with isn't like that. It's more of [...] a square or something, many more connections to take account of and not linear like that. But value chain's handy. People recognize that. You know, you put up the five or six boxes in an arrow and it makes sense. It's a communication thing."

This quote indicates that the use of the practice is at least as vital as the practice itself. Strategy practices are enacted over time; they are altered according to the uses to which they are put and thus not only transform themselves but also the wider field of strategy praxis (de Certeau 1988; Jarzabkowski et al. 2006).

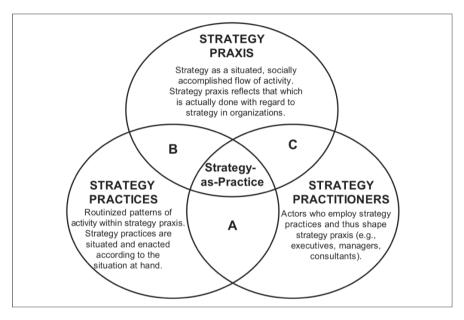
Strategy practitioners are the doers of strategy, the strategists. Formally, the top management team and its advisors reflect this set of practitioners. Managers participate in a diverse set of activities – some of which have the character of practices and some of which refer to strategy. Usually, much strategizing is about interaction and collaboration since knowledge of strategy is too multifaceted for an individual to cover. While the work of senior executives is quite well understood (Hambrick 1989; Pettigrew 1992b), the work of strategy consultants and informal participants (e.g., middle management or in-house strategy staff) has received little attention.

<sup>121</sup>Whittington (2002b: 3-4) argues regarding strategy practices that "[a]t the en-

terprise level, these might be the routines and formulae of the formal strategy process, laid down in corporate cultures; at the wider societal level, these strategy practices might be the working through of accepted analytical tools, or even due notions of appropriate strategy-making behavior, as promulgated by legisla-

due notions of appropriate strategy-making behavior, as promulgated by legislation, business schools, consultancies or model firms such as General Electric." To not confuse praxis with practice, we should be aware that aspects of strategy praxis could become practices. For instance, an informal lunch break meeting about a particular domain of interest that becomes institutionalized can become a valuable strategic practice. Strategy praxis represents the whole of human action regarding strategy in and between organizations, whereas strategic practices are routinized patterns of activity within this praxis. As strategists follow these practices, they reproduce and modify their existing stock of practices on which they draw in their next round of strategizing praxis (Whittington 2002b, see also Whittington 2006: 620).

Strategic management would benefit from a much broader definition of the term 'practitioner'. From our perspective, practitioners are those people who make strategy in their activities, often, but not exclusively, by drawing on strategy practices. Figure 35 relates strategy praxis, practices, and practitioners and depicts a conceptual framework to study Strategy-as-Practice.



**Fig. 35.** A Conceptual Framework for Analyzing Strategy-as-Practice (adopted and modified from Jarzabkowski et al. 2006: 8)

As illustrated in Figure 35, what we label Strategy-as-Practice occurs at the nexus between strategy praxis, practices, and practitioners. It is unfeasible to fully isolate any of the three elements in order to study them 'just on their own', however, because empirical research needs to be focused it is likely to relate to a combination of the elements instead of addressing them altogether (indicated by the categories A, B, and C in Figure 35). Based on this framework, we now discuss possible routes of research that are likely to occur with regard to Strategy-as-Practice and also highlight how existing strategy research already informs this emerging agenda.

Strategy Practitioners and Strategy Practices (A): Research in this direction foregrounds the practitioners and the practices that s(he) uses in the doing of strategy. Studies that reach in this direction ask, for example: What kinds of practitioners are influential in transferring and applying strategy practices? Samra-Fredricks (2003: 149) examines how one practi-

tioner succeeds in convincing his colleagues of a new strategic direction by referring to the rhetoric of portfolio analysis (i.e. transforming operations from a 'cash cow' back into a 'star'). This study shows that language is an undervalued resource when it comes to understanding how people use strategy practices. The link between strategy practices and practitioners not only highlights the need to research how actors make use of strategy practices in general but also how practitioners shape these practices through who they are and what resources they draw upon. Who a person is and how this person identifies her/himself is innately linked to how that person acts and makes use of strategy practices. After all, the relation between strategy practitioners and strategy practices can also be investigated in the reverse direction: the use of strategy practices also influences the personal identity of practitioners since certain aspects of a practice (e.g., 'downsizing' when following a divestment strategy) can influence how a person thinks of her/himself.

Strategy Practices and Strategy Praxis (B): Investigations that examine how strategy practices and praxis influence each other can follow two lines of reasoning. First, it is possible to research how standard practices (e.g., predefined planning procedures) impact the strategy praxis within organizations (Regnér 2003; Whittington 2006). In his empirical study of eight oil companies, Grant (2003: 507) finds that the highly formalized planning practices that were used in the 1970s and 1980s are increasingly replaced by more informal discussions. While there are still planning systems (i.e. strategy practices), the impact of these systems on everyday strategy praxis has changed considerably Second, it is possible to investigate how strategy practices emerge from the undifferentiated strategy praxis in organizations. Jarzabkowski and Wilson (2002), for instance, empirically show that strategy practices often emerge from situated strategy praxis. Their longitudinal perspective of strategizing within a university demonstrates how strategy praxis was strongly grounded in embedded strategy practices (e.g., direction-setting routines) which had case-specific meanings. These practices became accepted as the known ways of doing strategy and acting strategically within the context of the university. As Whittington (1996: 732) remarks, "knowing the 'done thing' [i.e. the practices] locally is essential to be able to get things done." (annotation added)

Strategy Praxis and Practitioners (C): The relation between strategy praxis and practitioners' activity within this praxis is best described by referring to Weick's (1979, 1995) sensemaking approach. The question is how practitioners make sense of their daily strategy praxis and in what way this is consequential for the firm. Not surprising, most studies that focus on the interplay of strategy praxis and practitioners' role within this

praxis refer to sensemaking theory. Rouleau (2005), for instance, describes how middle managers produce mental models out of their daily strategy praxis and how this process is anchored in their existing knowledge about strategy praxis. Rouleau's (2005) study demonstrates how practitioners assign meaning to the undifferentiated stream of experience that their strategy praxis is about. For example, the study illustrates how middle managers make sense of the firm's new strategic orientation in daily informal conversations and more formal strategy meetings. In a quite similar way, Balogun and Johnson (2005, 2004) study how middle managers make sense of a top-down strategy initiative. Their findings exemplify that practitioners' everyday experiences (i.e. their strategy praxis) and the gossip, stories, jokes, and conversations they share with their peers about these experiences modify the intended top-down initiative and lead to unintended outcomes.

To conclude, the discussion of the framework shows that selected pieces of existing empirical strategy research contribute to our understanding of Strategy-as-Practice. Even though the clarity that is achieved by the different areas (A, B, and C) is of a more analytical nature and does not enable us to 'pack' research into ready-made boxes, the framework fosters orientation and shows which questions can be discussed by future research. Discussing these questions means taking the consequences of deconstruction seriously. Practice-based strategy research considers deconstruction in that it proposes that strategizing is neither 'abstract' nor remote from what people are doing, but rather that strategy happens in what people do. Strategy context, process, and content are shaped through the interplay of strategy praxis, practices, and practitioners. Regarding *strategy context*, the framing of organization and environment often happens in well-established strategy practices (e.g., framing effects occur while resources are allocated and budgets are discussed). Concerning strategy process, the numerous formal and informal strategic meetings/workshops/conversations that make up improvisational strategy represent strategy praxis and can eventually become institutionalized strategy practices (e.g. a routinized lunch break conversation can turn out to be a practice). Regarding strategy content, many 'empty' strategic rules represent strategy practices that are adopted and modified by practitioners (Whittington 2002b). In a similar way, competences are usually conceptualized as routinized behavior occurring in praxis (Teece et al. 1997: 516).

Considering the limited amount of research, the Strategy-as-Practice field has to be opened up to new conceptual thoughts within the outlined research fields (A, B, and C) as well as empirical testing of these ideas. To outline one possible *particular and exemplary* conceptual idea, we discuss

the notion of 'communities of strategy formation' in the next section. 122 Research on such communities can be located in section A of Figure 35 since it primarily links strategy practices with the work of practitioners. Communities of strategy formation allow us to study more precisely how strategy practices are shared and reflected upon. The idea of communities of strategy formation is based upon the widespread literature on communities of practice (Brown and Duguid 1991; Lave and Wenger 1991; Wenger 2004) that represent 'loci' where practices are shared, elaborated, advanced, and eventually modified.

# 7.4 'Communities of Strategy Formation'

If we look at the interplay between strategy practices and practitioners, there is need to explore how practitioners *share and develop* strategy practices. This is especially important from the perspective of deconstruction, since the remarks on strategy context, process, and content revealed that strategic activity in praxis (and its performance in particular practices) is constantly reworked. The question is: *Where are strategy practices reworked?* To rework a practice there needs to be reflection and an exchange of experiences. But where does this exchange occur? So far, Strategy-as-Practice scholars have paid little attention to this research question. The following remarks attempt to fill this research gap by outlining the *conceptual idea* of 'communities of strategy formation'. The focus on strategy practices and practitioners (section A in Figure 35) does not imply that research on communities of strategy formation has nothing to say about strategy praxis, but that the focus of inquiry is on the (re)construction and sharing of practices by practitioners.

Our idea of communities of strategy formation rests upon the more general thought that 'communities of practice' represent informal, contextualized loci where practices are shared and reflected upon. The term 'community of practice' implies "participation in an activity system about which participants share understandings concerning what they are doing [i.e. which practices they follow] and what that means in their lives and for their communities." (Lave and Wenger 1991: 98, annotation added) Communities of practice are the social fabric of knowledge (Wenger 2004: 1). Here, we focus on knowledge about strategy. Communities are groups of

<sup>&</sup>lt;sup>122</sup>Other areas that have not yet gained sufficient attention in the Strategy-as-Practice research community are: (1) the way practitioners are prepared for strategy praxis (relating to section C in Figure 35) and (2) the way existing strategy practices are abandoned (relating to section B in Figure 35).

people who share a passion for a bundle of practices and who interact regularly to learn how to do them better; they refer to informal social structures whose members are bound to what they do together "from engaging in lunchtime discussions to solving difficult problems." (Peltonen and Lämsä 2004: 253) The informal character underscores the self-organized nature of communities of practice. Although communities can be 'cultivated' (Wenger et al. 2002) and supported in their work, their informal character makes us think of a world that is messy and constantly evolving. Communities of practice are composed of people who interact on a regular basis around a common set of issues, interests, or needs that are reflected by their work practices. To relate the basic idea of communities of practice to strategic management and to show what communities of strategy formation are about, we discuss communities of strategy formation as relating to three core elements of the Strategy-as-Practice agenda: a strategy praxis with regard to which a community of practitioners shares strategy practices.

The *praxis* creates a common ground and identity for a community. When discussing communities of practice with regard to strategy, this praxis is, of course, strategic activity. In strategy, and in most other generic fields (e.g., innovation management), the praxis is likely to be clustered. Accordingly, there is not 'the' community that is concerned with strategy practices, but a variety of communities addressing different practices. The praxis guides the questions practitioners ask while being in the community. Within the community of practice literature, *practices* denote a set of regularized and socially defined ways of doing things (Wenger et al. 2002: 38, also section 7.2). Practices that are shared by members of a community refer to patterns of behavior necessary for doing strategy (e.g., with regard to a strategic concept) reflected by the stories, cases, and documents that practitioners possess.

The last structural element, the *community of practitioners*, reflects the need for members to interact regularly on issues important to their praxis. A community, as Wenger et al. (2002: 34) remark, is not just a website or a database. It is a group of people who interact, learn, build relationships, and develop their knowledge about the domain in general and the practice in particular. Interaction does not necessarily mean face-to-face conversations, although according to Wenger et al. (2002: 34) direct conversations are necessary to sustain the community over time, but can also be based on teleconferences or regular document sharing. Members of the community do not necessarily need to be formal strategists but often represent line functions. In strategy, this approach can be very useful since strategic management is usually considered to be detached from the actual work of

people. A community, then, can bring together formal strategists' knowledge and 'common' managers' experience of a strategy practice.

Our description of communities of strategy formation shows that such communities represent loci where strategists reflect, advance, and learn about their practices. Whereas the practice itself is usually *performed* in the everyday strategy praxis, a community enables practitioners to *share experiences and extend their ideas* about this practice. Take the example of the Balanced Scorecard, which represents a standardized strategy practice used by many organizations. While most practitioners, who are either directly or indirectly concerned with the practice 'Balanced Scorecard', undertake the implementation of the concept within their department, a community is the place where these people share experiences, learn from each other, eventually modify the practice, fill it with new meaning, and begin to abandon outdated interpretations. Communities 'host' mostly informal discussions about practices: they give practices shape and continually serve to recreate knowledge associated with practices.<sup>123</sup>

As indicated at the beginning of this section, the idea of communities of strategy formation fits particularly well with the implications of a deconstructive analysis. Regarding *strategy context*, communities reflect practitioners' enactment of the environment. Because communities emphasize interaction, interpretation, and the ongoing processes of sensemaking and storytelling of those who participate in the work-in-progress, they help

<sup>&</sup>lt;sup>123</sup>If communities are mostly informal, there is the question of whether and how management can do anything about their existence. Aware of the limitations 'to manage' a community of practice, Wenger et al. (2002: 49) suggest 'cultivating' communities instead. Cultivating means designing for aliveness, not by dictating formalized structures, but by bringing out the community's own internal direction and character. Cultivating a community implies guiding this institution to realize itself to become 'alive'. As Wenger et al. (2002: 53) state, "'[a]live' communities reflect on and redesign elements of themselves throughout their existence." To design for aliveness, managers can ensure that the community has sufficient resources (e.g., time and technological infrastructure) and they can stimulate discussions within the community by bringing in information from outside the community. Instead of forcing participation, cultivating a community means providing opportunities for interaction and participation to keep the peripheral members connected. Communities of strategy formation, like any other community of practice, are living things that cannot be deliberately designed in a formalized way without risking their existence. For an indepth discussion see Wenger et al. (2002: 49-64) as well as Wenger (2004). The discussion about how to cultivate communities of practice, which are selforganized systems, could also benefit from perspectives that consider autopoietic systems thinking and its implications for management practice (for an overview see Bakken and Hernes 2003).

strategists to enact their environment. As Brown and Duguid (1991: 52) explain, communities are "continually developing new interpretative schemes of the world because they have a practical rather than formal connection to the world." These interpretations are constructed through circulating stories that shape the meaning of an organization's environment. A competitor or regulation may be seen from a different angle when experiences are shared, stories told, and interpretative schemes updated. Concerning *strategy process*, communities retain knowledge in living ways and understand learning as a task of improvising around practices in praxis (Peltonen and Lämsä 2004: 255). In communities, learning about strategy practices is about improvisation. There is no predescribed way according to which communities have to function: strategists interact and thus act their way into understanding. Hence, we can think of the gathering of communities of strategy formation as parts of the wider strategy formation process.

Dimension of Analysis	Implication of Deconstructive Analysis	Supporting Aspect of Communities of Strategy Formation (Dimension-Specific)	Supporting Aspect of Communities of Strategy Formation (Dimension-Unspecific)	
Strategy Context	Strategists enact their environment through their doing.	Communities rely on practitioner-stories that drive enactment.	Communities bring together people who practice strategy and who possess contextualized knowledge about their own actions.	
Strategy Process	Strategy formation consists of improvised strategic activity in praxis.	Communities are informal and reflect improvised strategic activity.		
Strategy Content	Strategic rules and resources are filled in the course of application.	Communities represent loci where filling and situated learning occurs.		

Fig. 36. Communities of Strategy Formation and Deconstructive Analysis

With reference to *strategy content*, we suggest that a large degree of the filling of empty strategic concepts and the development of competences happens in these communities. A community concerned with the Balanced Scorecard or Lean Management informally shares knowledge about these practices and thus fills them with situation-specific knowledge. Likewise, competences can be developed and advanced within such communities (Ortmann 2005b). Communities of strategy formation support the filling of concepts and enable strategists to reflect on the development of competences because they promote *situated learning* (Brown and Duguid 1991: 47). Learning in communities is situational in the sense that practitioners learn with regard to local conditions and in informal ways (e.g., by sharing

stories). The central issue in situational learning is not that somebody learns *about* a practice but *within* the practice that a community shares. Figure 36 depicts the contribution that communities of strategy formation make to a deconstructed world of strategy research.

To conclude, communities of strategy formation occur where practitioners feel the need and have the passion to share and reflect upon strategy practices. The observations of Wenger et al. (2002), Orr (1996), and Tyre and Hippel (1997) show that communities are not just a 'theoretical' phenomenon but can be empirically investigated in a meaningful way. With regard to Strategy-as-Practice, the studies of Nocker (2005), who researched the collective strategizing by a project community, Jarzabkowski and Wilson's (2002: 357) empirical observation of a community in the context of a university, and Hendry's (2000) empirically grounded conceptualization of strategic decisions as discourse within a community of practitioners, provide evidence that communities of strategy formation exist. Although these pieces of work can be interpreted as resting on the idea of communities of strategy formation, they are not based on a conceptual frame. The outlined conceptual idea of communities of strategy formation can thus inform future empirical investigations by providing a more explicit link between the literature on communities of practice and Strategyas-Practice.

## 7.5 Doing Strategy Research 'After Derrida'

Against the background of this study, Strategy-as-Practice is yet another strategic reality. To view strategy as consisting of practices in praxis reflects specific assumptions regarding the nature of strategy. In fact, this strategic reality conceptualizes strategy "as socially accomplished activity, constructed through the actions, interactions and negotiations of multiple actors and the situated practices that they draw upon." (Jarzabkowski et al. 2006: 4) To conceive Strategy-as-Practice gives reference to the role of deconstruction. Like deconstruction, which is never passive but always about an active intervention into existing structures (Derrida 1995b), strategy is about activity; it is an active involvement in the flow of organizational activity to prepare a firm for the unknown. Doing strategy research 'After Derrida' assumes that strategy is not something organizations possess, like a property out of nowhere, but something people in these organizations do. To conduct strategy research without any reference to practices in praxis is like trying to develop managerial recommendations without an understanding of the underlying processes and activities. For strategy

scholars this implies placing greater emphasis on the "unheroic work of ordinary practitioners." (Whittington 1996: 734)

To study strategy as a situated activity helps us to gain a deeper level of explanation of strategic issues. For instance, to study the daily activities of practitioners who are officially or unofficially in charge of strategy can help us to better understand how unintended outcomes (Mintzberg 1994a) come about or how actors become trapped in micro-political battles (Pettigrew 1977). We do not claim that all of this is entirely original. Mintzberg (1973), for example, already investigated what managers do (e.g., telephone calls and meetings) and how these activities contribute to specific outcomes. Yet, while mainstream strategy research has moved away from such interest in the doings of people, Strategy-as-Practice attempts to bring it back to centre stage (Chia 2004: 29). To achieve this 'practice turn' in strategic management, more conceptual and empirical research on the detailed micro activities that make up strategizing needs to be conducted. The outlined conceptual framework (section 7.3) can guide future research in different yet connected directions. Of course, there is need for balance: not all strategizing refers to institutionalized strategy practices but is often represented by rather uncoordinated activities that 'simply happen' in strategy praxis.

With regard to future investigations, the challenge will be not only to theoretically conceptualize practice-based phenomena (e.g., 'communities of strategy formation') but also to start examining them empirically. This, of course, poses a methodological challenge that the Strategy-as-Practice community needs to accept.<sup>124</sup> Empirical strategy research in an 'After-Derridean' context implies actually looking at how people do strategy and thus immersing oneself in the messy and fluid realities of strategizing. This is not an easy task. But, who said that strategy research is easy?

<sup>&</sup>lt;sup>124</sup>In terms of methodology, ethnomethodological ideas (Berard 2005; Garfinkel 1984; Garfinkel and Sachs 1990; Maynard and Wilson 1980) seem one possible alternative for conducting empirical research with regard to the Strategy-as-Practice research agenda. For ethnomethodologists, social structure is not visible by virtue of its links with physical structure but becomes observable as a manner of speaking. Macrostructure is a practical achievement of people whose sayings and doings make relevant collective categories (e.g., strategy practices, Coulter 2001: 34). Not much different, microanalysis looks at how actors enact these categories by becoming engaged in conversations. In consequence, ethnomethodology blurs the distinction between the macro and micro; in both cases research refers to what people say. For the Strategy-as-Practice agenda this implies taking the study of single speech acts (Schegloff 1987) and episodes of strategic talk (Hendry and Seidl 2003) more seriously.

# 8 Final Reflections – Retrospect and Prospect

"The superfluous metaphysical ballast which burdens the brains of our science, [...] which checks scientific progress by distorting and hiding the multitude of real problems, may then be thrown overboard."

Gunnar Myrdal (1965: xiii)

This treatise has come a long way. Although one *searches* for something novel in any treatise, it is impossible to state where and how to search until one finally hits on something that appears meaningful. If the outcome were predetermined, one would not need to search in the first place. The sense a book makes can only be fixed and discussed in a retrospective manner. Within this study we have come across a variety of issues, which we will now reconceptualize in order to display their contributions. Even though chapter six and seven discussed *detailed implications* of our deconstructive reading of strategic management, there is still the need to condense the core messages of this study. Section 8.1 takes a *retrospective* perspective and presents the central findings of our discussion, whereas section 8.2 is *prospective* in that it outlines what kind of scholarship can support the central findings. In this sense, section 8.2 tells us what scholars can do to take the core findings (section 8.1) of this study seriously.

As noted in chapter two, we do not believe that it is worthwhile to create disintegrated paradigmatic islands within strategy research; nor are we suggesting that deconstruction provides 'the' one best way for conducting scholarly work. Deconstruction, as used in this study, is about enriching and supplementing existing strategic realities and eventually creating new ones. In this sense, deconstruction is about gestures. A gesture is an expressive act of courtesy and respect to others; it is "a notable or expressive action: as (a) something said or done by way of formality or courtesy (b) something said or done to bring about a desired end." (Webster's Third New International Dictionary 1993: 952-953) Sections 8.1 and 8.2 offer a variety of 'gestures': (a) as acts of friendship to extend, modify, rethink, and discuss strategic realities and (b) as requests to bring about a different way of strategy research, not necessarily to replace it but to enhance and

deepen it. In the following section, the key findings of this study are expressed in the form of five 'gestures'. In section 8.2, we offer five more 'gestures' that discuss the implications of the key findings of this treatise for the nature of scholarship.

## 7.1 Retrospect – Rethinking Strategic Realities

Gesture One: "Strategic Realities – From Dominant Logics to Strategy-as-Practice": The 'common thread' that runs through this study is the notion of strategic realities. Strategic realities reflect the constructed world of strategic management, both in theory and practice. This study has been mostly concerned with scholars' strategic realities and their underlying assumptions. We demonstrated that a great deal of current theorizing in strategy research rests on strategic realities that favor a dominant set of assumptions (i.e. dominant logics). These dominant logics reinforce themselves because authors (often implicitly) adopted them. For instance, Porter's (1980, 1985) well-known strategic reality had a significant effect on Ghemawat's (1986) strategic reality which promoted 'sustainable advantage'. To identify scholarly work within strategic management as strategic realities instead of 'theories' or 'frameworks' has the advantage that the term 'strategic reality' stresses the constructed nature of strategy research. In this sense, nature does not force scholars to look at strategic management in a specific way; they make assumptions and thus 'construct' their world of strategy (Pinch and Bijker 1984: 420). Scholars' strategic realities do not represent a 'natural necessity'.

We argued that the dominant logics that underlie most strategic realities are dominant because they neglect their own paradoxical nature. Those strategic realities that reflect the dominant logics try to establish a metaphysics of presence; they are in search of a final origin from which their reasoning can spread out. By applying Derrida's deconstructive logic, we demonstrated that the search for this origin results in paradoxical indecision. Accordingly, the dominant logics aim at impossibilities and therefore have to be dispensed with (at least from the perspective of deconstruction). Our discussion of the paradoxes that arise with regard to the 'necessity of adaptation' (strategy context), the 'primacy of thinking' (strategy process), and the 'fullness of strategic rules and resources' (strategy content) enabled us to outline a different perspective on strategy context, process, and content (see chapter six). This perspective can be described as *our strategic reality*, which is not necessarily superior to, but is at least different from 'traditional' strategy research. To show that our ideas do not stand on

their own, we connected our research results to a recently emerging strategic reality: Strategy-as-Practice. In summary, the 'journey' of this study can be traced with reference to the concept of strategic realities. One key finding of this treatise is that to capture the multiple faces of strategic management one needs to allow for the emergence of different strategic realities. From our perspective, this presupposes the discussion of paradox. The next 'gesture' will substantiate this claim.

Gesture Two: "Creating Strategic Realities Because of and Despite Paradox": Another key finding of this study is the need to build strategic realities because of and despite paradox. If we want to have a broader picture of strategizing in organizations by allowing different strategic realities to emerge (see 'gesture' one), we need to consider paradox within the course of the creation of strategic realities. Scholars have to build theories because of paradox since strategic management is dominated by an ideology, a prevailing cluster of assumptions (Starbuck 1982: 3). To build different strategic realities that widen our understanding of strategic management, we need to reach beyond this ideology. The identified paradoxes imply that the dominant logics, which make up the ideology (see section 1.1), aim at impossibilities and are thus not a valuable point of departure for strategy research. At first this seems to narrow down the scope of possible strategic realities and thus our understanding of 'strategic management'. Yet, we should not forget that these paradoxes are bound to our deconstructive understanding of the world. As indicated in section 1.2, deconstruction is just *one possible* perspective to look at strategy research. To prevent any kind of ideology, we need multiple explanations and collaboration across different sets of assumptions (section 2.2). From our perspective, theorists should consider paradox to learn how to reach beyond the current ideology that is governing our field and thus achieve a more balanced perspective of strategic management (Lado et al. 2006).

Whereas theorizing because of paradox enables us to 'see' the limitations of the field's underlying ideology, it would be false to classify strategic management as impossible (i.e. paradoxical). Strategy is one of the most intensive and expensive activities that organizations are involved in (Whittington 2001). It absorbs a full cast of players and thus cannot be classified as impossible. In consequence, theorists not only have to build strategic realities because of but also *despite* paradox. Strategic realities that acknowledge paradox (i.e. the impossibility of 'origins') thus have to deparadoxify themselves. To deparadoxify helps theorists to shake off deterministic views in order to account for the messy realities strategists face in their everyday activities. As demonstrated throughout the discussion in chapter six, what first seems impossible (i.e. paradoxical) turns out to be

gradually produced by operations that are connected through supplementary loops. Strategy scholars can respect supplementarity by considering the importance of the 'And'. The 'And' connects – for instance, organization *and* environment – not in a linear but in a mutually enhancing manner. As Derrida (2000c: 285) explains:

"Wondering what the 'and' is, what and [...] means and does not mean, does and does not do, that is perhaps, before any enumeration of all possible titles of the type 'deconstruction and ...', the most constant task of any deconstruction." (emphasis in the original)

The 'And' uncovers and affirms the neither/nor of strategic realities, the constant need to consider undecidables as the medium by which scholars are reminded that this thing that they call 'strategy' is always associated, completed, supplemented, and accompanied by 'the other' (that which we used to ignore – e.g., 'application' or 'implementation'). In summary, in line with other scholars (Huff 2001; Ortmann 1995; Ortmann and Sydow 2001a; Vos 2002) we call on strategy researchers to place greater emphasis on the role of recursive relations.

Gesture Three: "As If – The Fictional Character of Strategic Management": Another key finding of this study is the importance of fictions, which we labeled 'As Ifs' throughout our discussion. With reference to 'gesture' two, we can say that As Ifs deparadoxify strategy context, process, and content (see chapter five and six). As Ifs temporalize paradoxes and thus preserve peoples' capacity to act, to a certain extent in 'theory' but most of all in 'practice'. Temporalization means to move the impossibility of the paradox into an indeterminate future where it is less troublesome. Although temporalization is just one possible way to deparadoxify, we highlighted its importance with regard to the paradoxes of strategy context, process, and content. Unfortunately, few conceptual or empirical studies in strategy research have discussed the role of fictions so far (for a laudable exception see Ortmann 2004c). In consequence, this study shows that we need more research regarding those fictions that deparadoxify strategic management.

When researching fictions in strategic management we need to be careful what we are talking about. The fictions that deparadoxify strategy context, process, and content are usually *necessary* anticipations of the future; they are not so much about a more or less deliberate 'hypocrisy', the inconsistency between talk, decision, and action (Brunsson 1989). The *As Ifs* that we are concerned with are often not realized as such, actors do not recognize these fictions as fictions and/or take them for granted (Ortmann 2004c: 30). Although strategists themselves might not be aware of fictions, strategy scholars, who are observers of strategy praxis, can identify them

and thus start to understand the role of anticipations in temporalizing paradoxes. To do this kind of research, we need a more worked out conceptual framework for studying fictions in strategic management. Such a framework would represent a highly valuable strategic reality that can be based on existing work regarding fictions in organization theory and other disciplines (for an overview see Ortmann 2004c).

Gesture Four: "The Supplementarity of Strategy Context, Process, and Content": Every As If directed us to a different understanding of strategy context, process, and content. Once the underlying paradoxes are deparadoxified, we were able to see that deconstruction does not merely promote impossibility but supplementarity (i.e. recursiveness). Every paradox merely indicates the limits of knowledge we can gain about strategic management, whereas supplementarity – the constant interplay between the 'origin' and that what used to be marginalized – emphasizes that strategy context, process, and content are in a constant state of flux. To conceptualize this relentless movement between the ends of the underlying oppositions (e.g., environment/organization or formulation/implementation), we developed and described undecidable terms (i.e. 'framing' for strategy context, 'improvisation' for strategy process, and 'iterability' for strategy content). In this sense, another key finding of this study is that strategy context, process, and content are based on a both/and-logic. This logic reflects the fact that the meaning that is produced at the nexus between both poles of the underlying oppositions can never be satisfactorily decided.

Concerning strategy context, framing describes the active operation of drawing distinctions that carve out organization and environment. Whenever strategists frame their environment by appropriating order out of disorder (e.g., by regarding a certain group of people as *relevant* customers) they also frame their own identity. The frame operates at the margin between organization and environment; the organization enacts its environment and thus shapes its own identity (Weick 1979, 1995). 'The' environment does not exist as a category just for itself, a category that could possibly act as an 'origin' for adaptation. Regarding strategy process, strategic *improvisation* describes planning as action unfolds, the modification or eventual replacement of strategic fictions within the course of strategizing. Strategic improvisation highlights that the strategy process is most of all about situated activity. Strategy formulation is as much about activity as strategy implementation is; actions cannot be postponed. Accordingly, there is a supplementary relation between formulation and implementation in the sense that the supplement (i.e. action/implementation) constantly modifies and constitutes whatever was formulated. Plans are excuses for action; they make actions appear to be under control (Mintzberg 1994a; Ortmann and Salzman 2002; Weick 1979). Concerning strategy content, *iterability* explains the interconnectedness of repetition and alteration with regard to strategic rules and resources. Based on iterability, we described the interplay between 'empty' strategic rules/resources and their application as a process of filling. Of course, this filling gives reference to the supplementary relationship between 'empty' strategic rules/resources and their application. The supplement (i.e. action/application) always modifies the necessary emptiness that is attached to strategic rules and resources. In consequence, strategic rules and resources cannot be generalizable or even a priori given; they gain meaning in and through action. This shifts the research focus from the traditional concern with the 'drivers' of competitive advantage to an investigation of strategists' activities that revive abstract categories like 'cost leadership' or 'distinctive capabilities'. To conclude, one key finding of this study is that supplementarity is at the heart of research on strategy context, process, and content.

Gesture Five: "Researching Strategy as a Practice in Praxis": The supplementary relations that strategy context, process, and content are based on emphasize the importance of activity (see also section 7.1). We discussed this insight in chapter seven where we connected our findings to a stream of research that emerged recently: Strategy-as-Practice (Johnson et al. 2003; Jarzabkowski 2005; Whittington 2002b). Accordingly, our research provides a theoretical foundation for this young field of inquiry. We outlined and discussed a research framework – composed of strategy praxis, practices, and practitioners – that can guide future research on Strategy-as-Practice. Thus, another finding of this study is that strategy research that takes the insights of the deconstruction of strategy context, process, and content seriously has to focus on the detailed and situated activities of practitioners that do strategy. Doing, here, is not raised to a level of abstract categorization as traditional strategy process research does (Chakravarthy and White 2002; Pettigrew 1977) but refers to the practical performance of strategy in the actions and interactions of people. In this sense, organizations do not *have* a strategy; they *do* strategy.

Most importantly in the context of this study, Strategy-as-Practice blurs the distinction between strategy context, process, and content. The three dimensions can be conceptualized as relating to strategy practices in praxis. For instance, many of the 'empty' strategic concepts that are available from management gurus or consultancies represent strategy practices (i.e. they refer to patterns of activity that need to be enacted). While filling these practices, practitioners have to improvise to make the practices sensible in the local context of their organization (Whittington 2006). This improvisation, of course, represents parts of the wider strategy process and

also contributes to the framing of strategy context since the discussions that are needed for the enactment of the practice shape the perception of the environment and identity of a firm. In summary, this study showed that deconstruction leads us to and supports the idea of Strategy-as-Practice. Doing strategy research 'After Derrida' means opening the black box of 'the firm' to relocate strategic management where it belongs and emerged from: *praxis*.

## 7.2 Prospect – Fostering Engaged Scholarship

In the light of the findings of this study, we have to ask: What can we do to consider practically the presented key findings within our research? To outline a different way of strategy research is one thing, to actively consider it in *research praxis* another. The question is: What *kind of scholar-ship* do we need in order to produce knowledge about strategic management that takes into account the key findings of this study? As indicated in chapter seven, we believe that strategy research 'After Derrida' has to investigate strategic management as a situated activity in organizations. To research this activity it is not enough to simply do 'desk' or 'database' research; there needs to be more collaboration between theorists and practitioners (Johnson et al. 2003; Mintzberg 2005). So far, much knowledge about strategy is either produced in a detached way from practice and/or practice is exclusively seen as a place where data is gathered.

To overcome this theory/practice dichotomy, Van de Ven (2006: 4) has called on researchers to foster 'engaged scholarship' which he defines

"as a collaborative form of inquiry that leverages the different perspectives and competencies of key stakeholders (researchers, users, sponsors, and practitioners) in producing knowledge about a complex problem or phenomenon. Engaged scholarship draws upon knowledge of practice, values, and policy as well as scientific knowledge in various disciplines to develop models that can be brought to bear on specific problems in the world."

Engaged scholarship promotes a different understanding of the *value of science* itself. Most strategy scholars still think that science is like a 'march towards some truth' that can be discovered by developing precise hypotheses that are validated through rigorous research. Engaged scholarship views strategic management as a 'phronetic science' (Oliver et al. 2005). Unlike orthodox science, where the researcher and the researched are distanced and the focus is largely on generating testable hypotheses and propositional theory, phronetic science is about generating practical knowledge by being concerned with and getting involved in conduct, conduct

that can only be observed with regard to particular circumstances (Calori 2002: 878). This, of course, demands that we become involved in strategy praxis and consider reflective practitioners as co-authors of theories. Phronetic science is not about generating 'the truth' about some kind of phenomena but about gathering contextualized knowledge.

The following five 'gestures' outline how we think engaged scholarship can be undertaken. They *specify* Van de Ven's (2006) more general idea with regard to different areas that affect the nature of scholarship (e.g., methodological focus of research). Surely, these 'gestures' do not offer a comprehensive discussion of the nature of scholarship as one could include other topics as well (e.g., the way doctoral programs are designed). Yet, the five issues that we chose to discuss relate particularly well to strategic management and were thus selected as a nucleus to foster future debates. Rethinking scholarship is crucial to produce conceptually and empirically the kind of knowledge about strategy that this study has only started to create.

Gesture One: "Does Anybody Listen? - Relating Theory and Practice": According to Van de Ven (2006), engaged scholarship is about relating theory and practice. If strategy research 'After Derrida' draws upon knowledge of practices and emphasizes the activities that people perform while doing strategy, we have to better integrate practitioners' concerns and experiences with scholars' knowledge claims (Herrmann 2005: 123). Because strategic management is situated and about enacted practices, those people who are at the frontline should have more influence on the way we theorize. At first, this seems almost self-evident. Yet, especially in strategic management, the theory-practice link is quite fragile; there is dissatisfaction on both sides. A variety of strategy scholars express concerns that most of the research is irrelevant to what is going on in firms (Bettis 1991; Tranfield and Starkey 1998). Regardless of what is stated in editorial policies, most scholars write more or less for each other. In consequence, practitioners question the usefulness of research and think of scholars as being in an 'ivory tower' (West 1990). Practitioners often feel that research is not designed to understand the problems they face. Although this issue is severe, it has received little attention in the academic discourse.

Of course, the entire issue of research's 'practical relevance' is beyond the scope of this study. Nevertheless, we would like to offer two exemplary points that are worth considering when trying narrowing the gap between academia and practice. First, strategy scholars need to dispense with the belief that academic knowledge flows in an unhindered way into practice. There needs to be a debate about the applicability of knowledge. Without this debate, the pressure to produce relevant research results in

practical irrelevance, because the concept of application itself remains unquestioned (Nicolai 2004: 971; Starkey and Madan 2001: 4). Second, we need to change the way we conduct strategy research. This can be done by co-producing knowledge with practitioners. There are virtually no articles that are written jointly with practitioners in the leading journals of the field (for an exception see Hurst 1986). As Calori (2002: 880) notes:

"Some *practitioners*, who take time to reflect on their personal experience, may produce enactive research in which a quasi-perfect unity of time-space and action-reflection is achieved (even when part of that reflection is retrospective). Think of Henri Fayol and Chester Barnard." (emphasis in the original)

A 'thick' description by practitioners, that is, a detailed portrayal of their everyday doings and interactions (Geertz 1973), can help us value how they identify with their practices and whether their perspectives fit with our strategic realities. If the question of what strategy is about cannot be answered in principle, but only with regard to situated practices, we need greater collaboration with those who do the work of strategy. Producing such 'thick' descriptions requires rethinking the methodologies used.

Gesture Two: "The Altered Role of Methodological Rigor": Engaged scholarship is about pluralistic methodology. If strategic management is a complex and multifaceted phenomenon, like our remarks throughout this study indicate, we need to explore these different facets. For this, we need a more balanced methodological focus where the insufficiency of invariant laws in strategy research is acknowledged (Numagami 1998) and the value of case-specific, qualitative studies is enhanced. As discussed in chapter three, the strategy field has a strong focus on quantitative data analytic techniques (Bergh et al. 2006: 93). Phelan et al. (2002: 1165) identify a clear trend toward greater quantitative empirical content in the Strategic Management Journal, while conceptual papers and single case studies seem to fall of the agenda. Shook et al. (2003: 1233) even find that, contrary to some predictions, the use of general linear model techniques (such as regression) has increased over time. Similarly, Bowen and Wiersema (1999) argue that the current methodological focus has resulted in an obsession with cross-sectional methods that embody the implicit assumption that model parameters are stable across firms and over time. 125

<sup>&</sup>lt;sup>125</sup>Especially when considering the recent rise of the RBV, where only those firms with unique competences are assumed to have a competitive advantage, large-sample and cross-sectional techniques are unlikely to be able to disentangle the variety of effects associated with competences. Another problem is the question of *unobservables*. The resource-based tradition has introduced concepts like dynamic capabilities or organizational competences. These phenomena cannot be studied through sending out questionnaires (Godfrey and Hill 1995).

As shown in chapter six and seven, problems and concepts in strategic management have clear firm and time-specific components; there are no truly general solutions to strategic problems. This is not to suggest that we abandon all large-scale quantitative empirical research, but that we (a) reflect on the results such research offers more critically, (b) recognize that it is not enough to conduct research *on* organizations but also *in* organizations, and hence (c) complement quantitative results with in-depth, longitudinal, single case-based investigations that take into account the context in which a firm operates (Duncan 1979: 424). If solutions really are local and context-specific, researchers have to get out to see what is happening (Lowendahl and Revang 1998: 765) and co-produce knowledge with practitioners in the field.

To value the context specificity of strategic management in organizations, single case-based qualitative research needs to find its way back on the agenda. While strategy research in the 1960s was greatly concerned with discussing single case studies, the strategy field should renew this focus to make use of improved data gathering and data analytical techniques. More recently, ethnographic and fieldwork methods have proven to be promising alternatives for producing 'thick' descriptions that are often based on informal stories and organizational 'gossip' (Rouse and Daellenbach 1999: 490). 126 These methods provide a different perspective because they (a) make the researcher an active participant in organizational life and (b) do not aim to discover what really happens but investigate the way people momentarily construct strategy in the context of their organizations (Cunliffe 2001: 355). A renewed focus on qualitative work may have yet another advantage. Quantitative mathematical models are often inaccessible to practitioners, whereas qualitative studies enable scholars to talk to managers in words that are meaningful to them (Välikangas 2003). To talk to managers in meaningful ways, we as scholars should learn to drop some of our heavy methodological tools (Weick 2001, 1996a).

Gesture Three: "That's Plausible! – How to Evaluate Strategy Research?": Because engaged scholarship is about valuing context specific, qualitative, case-based research, we have to ask how such research can be evaluated. Evaluation of 'thick' descriptions of strategy praxis is tough because results hardly relate to the traditional criterion for testing theories: validation. According to validation, hypotheses are created and tested to be either confirmed or suspended. But is validation a useful criterion anyway?

<sup>&</sup>lt;sup>126</sup>Ethnographic methods range from semistructured and unstructured interviews over unobtrusive 'shadowing' techniques to participant observations (see Bernard 1994). This puts narrative studies (Czarniawska 1998, 1997) and conversation analysis (Schegloff 1987) on the agenda.

Weick (1999) suggests that validation is an insufficient criterion for evaluating research, since it (a) distances the hypotheses from its generation, (b) displaces the role of the theorist since the 'environment' seems to decide whether the theory is true or not, and (c) eventually leads to trivial theories because the process of theory construction is hemmed in by strictures that neglect the usefulness of theories altogether.<sup>127</sup>

Weick (1999: 516) suggests concentrating instead on the *process of theorizing* rather than evaluating the theory itself. Instead of validating 'true' theories, strategy research needs to suggest novel relationships and connections that had previously not been suspected. This brings the theorist back into the picture because the theorist, not the environment, now controls the survival of conjectures. Weick argues that the selection criterion used by theorists to retain conjectures should be 'plausibility'. Scholars need to ask whether conjectures are plausible. When theorizing is driven by concerns for plausibility rather than concerns for validity, conjectures that are generated in the process of theorizing need to be judged with regard to different criteria (in fact, criteria that operationalize 'plausibility'). What are examples of such criteria?

First, conjectures need to stimulate interest by challenging existing beliefs (Davis 1971; Shrivastava 1987: 79). Conjectures that completely disconfirm or affirm current beliefs and assumptions are unlikely to create interest. Interest is a selection criterion during the process of theory construction, because disconfirmed beliefs are opportunities to learn something new or to discover something unexpected (Weick 1999: 525). Second, conjectures can also be selected according to aesthetic criteria. Elegancy, which is a criterion enjoyed by mathematicians, can engender feelings of beauty that allow conjectures to be retained. Overall, Weick suggests that theory is not testable against some 'hard' reality, which would tell us whether our hypotheses are true or not. The complexity of the social world makes theory construction in the social sciences a difficult task. When evaluating strategy research, we should be aware that theory construction is more about imagination than 'proving' validity. To build better theories, theorists have to think more creatively and recognize that their own thinking depends on pictures, metaphors, and mental maps of the object of study (i.e. strategy).

<sup>&</sup>lt;sup>127</sup>Weick (1999: 519) argues: "Most existing descriptions of the theorizing process assume that validation is the ultimate test of a theory and that theorizing itself is more credible the more closely it stimulates external validation at every step. Thus, a dual concern with accurate representation and close correspondence between concepts and operations is evident virtually from the start in any theorizing activity. These concerns can be counterproductive to theory generation."

This altered picture of evaluating strategy research has important consequences for the editorial policy of the major (and minor) journals of the field. Almost certainly, pressures will continue to mount for 'quick and dirty', 'close-to-the-market' output (Gopinath and Hoffman 1995: 577; Willmott 1993: 706). Calori (2002: 881) notes that suspicion towards a different epistemological stance reduces the chance of entry in (North American) 'A' journals and academic careers become more uncertain. Journals that are identified as 'top' publications usually have scholars on their editorial boards who require the work to be published to meet the highest standards of 'scientific rigor' (Podsakoff et al. 2005: 486). Rigor, here, refers to established theoretical perspectives, orthodox research methods, and the need to show that hypotheses were validated or not. Yet, what counts as rigorous research is not God-given but a product of lengthy processes of 'fact' production (section 3.3) and the training of researchers.<sup>128</sup>

If scientific rigor is a socially constructed phenomenon, scholars can actively influence this process. Editors need to encourage authors to follow 'non-traditional' perspectives, both in terms of methodology and the delivered content. A promising way to achieve a different editorial policy is to open editorial boards of North American journals for authors from other parts of the world where 'scientific rigor' is defined in other ways. Clegg and Ross-Smith (2003) argue that the dominance of North American journals, together with the capacity of their editors to shape what gets published, is overwhelming. In addition, Baruch (2001) notes that non-North American scholarship is significantly underrepresented in these journals. The major journals of the field need to open their agendas (a) for critical conceptual strategy research that builds on hitherto underrepresented metatheoretical perspectives and (b) for empirical studies that seriously consider non-traditional methods and give us deep insights into single cases of strategy making to – in a Derridean sense – supplement and extend existing research.

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<sup>&</sup>lt;sup>128</sup>In their recommendations regarding doctoral education in strategic management, Summer et al. (1990: 368) give the following advice: "Both 'Philosophy of Science' and 'Quantitative Analysis' are crucial to understanding and evaluating research in Business Policy and Strategy, so those areas deserve immediate attention. A 'Design and Methods' course should typically follow the above two, and many students will require additional work in econometrics or other quantitative fields." In consequence, students of strategy are trained very early in their careers about what it means to conduct 'rigorous' research. We do not suggest that no quantitative training has to be offered, but rather that a balanced education between quantitative and qualitative methods has to be achieved.

Gesture Four: "Teaching Strategic Management – 'Are You Telling the Truth?'": Engaged scholarship does not only imply doing research that is engaged with regard to practice but also equipping those who will be practitioners one day with knowledge that is practically relevant. Accordingly, engaged scholarship also means rethinking the orthodoxy in teaching. Once we submit to the grand narratives of modernism (e.g., 'truth' and 'enlightenment') that have been so well described by Lyotard (1999), we define the purpose of teaching as telling students about 'the truth'. The pedagogical assumption is that we can distinguish between what is true and what is false to let students know about the object of knowledge as it is. Derrida's radical rejection of a final truth (différance) has far-reaching implications for the way we teach (about strategy).

First, we need to reflect on *what* we teach to students. The strategic tools that we provide presume that students have almost perfect information about what is going on in their 'environment' and 'organization'. This leads to the illusion of 'being in control' of things. If there is no truth and thus no perfect information (e.g., about the industry one operates in), we need to tell students that it is not the tools themselves that will help them with strategizing but the way they make sense of, enact, extend, and meaningfully modify these tools. Students need to be aware that homogenized tools are only frames of reference but do not embrace any universalistic strategic philosophies.

Second, to be able to apply strategic tools meaningfully, students need to possess more than just well developed analytical capabilities. This implies rethinking *whom* we teach strategy to and thus the traditional selection criteria for entrance to business schools. Indeed, as Mintzberg (2005) argues, the well-known and widely applied GMAT scores offer an insufficient picture of students.

"GMAT stands for Graduate Management Admission Test, and it assess one's ability to give fast answers to little numerical and verbal problems. [...] Since how well you do depends on how well everyone else does, you had better prepare by buying a special book or taking a special course, because that is what everyone else is doing. [...] So instead of practicing management, the would-be manager practices tests. Good managers are certainly intelligent, and the GMAT certainly measures intelligence, at least formalized intelligence. [...] So the GMAT constitutes a useful but insufficient screening device, more useful, in fact, to identify successful students than managers. The latter have to exhibit all kinds of other characteristics that are not measured by such scores – indeed, many that are not adequately measured by any scores." (Mintzberg 2005: 15, emphasis in the original)

Strategic management, as shown throughout this study, is about 'art', 'intuition', 'telling stories', 'creating plausible fictions', and most of all 'on-

the-job experience'. Mintzberg (2005: 243) suggests that rethinking MBA application procedures implies (a) that true management education should be a privilege earned by leadership performance in practice and (b) that organizations themselves should suggest candidates and support them. Certainly, managers need some kind of undergraduate education that provides a basic stock of knowledge (e.g., regarding typical line function tasks). The question, however, is whether management, and *strategic* management in particular, should be taught at the undergraduate level at all? Mid-career managers are better equipped to understand strategic problems and the limitations/opportunities of tools and theories that they get to know in the classroom.

Third, there is need to reconsider how we teach strategy. If there is no 'truth' that can be taught and students are not chosen based on their GMAT score but because of their performance in practice, it makes no sense to teach strategy in a lecture-type manner. Experienced managers have stories to share and often first-hand knowledge about concepts. Instead of leveraging this knowledge, many strategy courses still rely on cases because case teaching has been found more effective than lecture teaching with regard to attaining cognitive skills and motivational aims in the classroom (Böcker 1987; Summer et al. 1990). The case-method, though, has serious drawbacks. Usually, cases are used to bring students closer to the 'real world of management'. Yet, the real world, as Mintzberg (2005: 43) remarks, is not 'out there' to be plucked from some tree of practice. The case method reduces strategizing to decision-making and analysis by training students to analyze large chunks of given data. Once again, students believe to be in control. But strategic managers do more than decision-making; they create events, experience, test, bargain, argue, and negotiate.

We are not suggesting that cases no longer be used. Compared to traditional lecture-type teaching, cases involve students and expose them to the complexities of strategic realities in organizations. Yet, under the premise that strategy is taught to experienced managers, one can do better than discussing cases. Mintzberg (2005: 246-266) suggests that the classroom should leverage managers' experience. By experience he means *natural* experience that has been lived in everyday life on and off the job, while *created* experience (e.g., through role plays) can at best be supplementary, but not central, to the education process. Teaching strategic management needs to be about *experienced reflection*, where managers bring their knowledge to the classroom and faculty introduces concepts and theories. Reflection takes place where both spheres meet: experience about strategy considered in the light of conceptual ideas.

Gesture Five: "Engaged Scholarship? - Engaged Practice!": Engaged scholarship rests on a stronger collaboration between theorists and practitioners. Although collaboration can be fruitful, because the accepted definition of the scope of a research field can be changed (Franklin 1998a: 326-328), it is hard to achieve in practice. Whereas the previous three 'gestures' demonstrated what scholars could do to close the gap between strategic management and strategy praxis (e.g., with regard to the methodology used, the evaluation of research, and/or the way strategy is taught), this 'gesture' is about practitioners' role in engaged scholarship. Most important, engaged scholarship needs reflexive practitioners who treat universal prescriptions of the kind 'How to really achieve a competitive advantage' with great care and a critical attitude. Like in medicine, where there is no universal drug against all diseases, the deconstruction of strategy content has shown that there is no general solution that applies to all kind of strategic problems in every company. As Mintzberg (2005: 250-251) explains, theories should be used

"not because they are true but because they are useful – under particular circumstances. [...] Situations vary enormously. What we should be doing in our management classrooms, therefore, is drawing out the implicit theories that managers have in their mind [...] and offering alternate theories, competing explanations of the same phenomena, so that managers can interpret their experience from different perspectives." (emphasis in the original)

Strategists who are sensitive to engaged scholarship (a) do not follow the latest management fad that promises to be valid for each and every company, <sup>129</sup> (b) do not perceive themselves as rational agents (Hurst 1986: 26), and (c) recognize that the people who apply strategic concepts are more important than the concepts themselves. These kinds of practitioners foster engaged scholarship because their reflexive awareness of the strategy praxis they operate in fosters the co-production of knowledge about strategic management with scholars. Reflexive practitioners are stimulated by strategy scholars to build their own strategic realities (and do not passively consume 'empty' prescriptions made by other scholars and/or strategists in a different context).

<sup>&</sup>lt;sup>129</sup>The very latest management fad – *Blue-Ocean-Strategy* – is about creating new business segments by deliberately neglecting the frontiers of the more traditional business (Kim and Mauborgne 2004). Faced with the question which corporations can especially profit from *Blue-Ocean-Strategy* thinking, W. Chan Kim, one of the promoting professors of this concept, replies: "The approach can be implemented by all corporations – regardless of the industry they are in." (Kim and Mauborgne 2005: 52, translation A.R.)

## 7.3 But, Beyond... - The End and the Beginning

"Doubt is not a pleasant state, but certainty is a ridiculous one."

Voltaire

The results of this study should be evaluated in the context of its limitations (section 1.3) as well as its underlying intent. Our intent was to provoke additional thought, research attention, and concern for the ideas presented. As indicated throughout this text, we do not wish simply to replace some apparently 'old-fashioned' logic by some 'new' one. Reflexivity one, maybe the, major topic of this treatise – is not a means to produce privileged knowledge (Lynch 2000). Reflexivity is the recognition that an unquestioned answer can be more dangerous than an unanswered question; it is about uncovering tensions between different positions. The common thread running through this study - 'Strategic Realities' - exemplarily reflects a tension between that which is 'strategic' (as a concern for the future which always remains to be thought) and that which is 'real' (as a concern for the very moment, that which is real, but never 'here' as an event that we can adequately grasp, [Derrida 2003b]). Discussing and writing about scholars and practitioners' strategic realities implies questioning any metaphysics of presence that classifies strategic management as something that is simply 'there'; any strategic reality – be it the one of scholars who think about strategic management or the one of practitioners who practice strategic management – is always already exposed to différance, deferring any definite meaning into an indeterminate future.

In consequence, neither scholars nor practitioners can simply do deconstruction. Deconstruction is always already at work in works (Derrida 1986c: 123) and each deconstruction speaks with a single voice (Derrida and Norris 1989: 75). We have to think of strategy as being always already *in deconstruction*: this is what this study has done. Of course, strategic management can be influenced by writings (e.g., Derrida's writings). Yet, this does not *ipso facto* make it 'deconstructive'. The deconstruction of

<sup>130</sup> Even Deconstruction has become a management fad. Promoted by the Boston Consulting Group, the Deconstruction of value chains is about the dissolution of traditional boundaries of industries, companies, and businesses. When gas stations become supermarkets, Deconstruction is at work (Khurana 2002: 251). Accordingly, there is need to differentiate deconstruction from Deconstruction, although, in a deconstructive world, there is no clear-cut distinction between both notions, as d/Deconstruction is always itself reiterated and thus subject to deconstruction.

strategic realities is *not* something brought in from the outside, although it might sometimes appear *as if* this were the case. Deconstruction already is at work in the 'inside' like a parasite that strongly affirms what is to come. A 'deconstructionist strategic management', but there is no such thing, could not be the result of a successful application of Derrida's theory. Deconstruction in strategy has always already begun (Derrida 1987b: 19).

This treatise has emphasized many research opportunities for future scholarly work, both with regard to strategic management itself (see especially chapter seven) but also concerning research about strategy research. Whereas there is an ever-increasing body of empirical work regarding strategy context, process, and content, too few studies actually question the way such research is undertaken. Future studies that discuss the way we theorize about strategic management can, for instance, deconstruct other prominent oppositions (e.g., top manager/employee or resource/marketbased view, Ortmann 2003a: 134), investigate the way we produce dominant logics more closely, or discuss the underlying methodologies and possible alternatives in a much more comprehensive way. After all, if we really want to establish a different kind of strategy research, the concept of 'engaged scholarship' deserves more discussion. Without modification of the institutions that shape the strategy discourse (e.g., journals' editorial policies and strategy departments' tenure procedure) real change with regard to the content of the discourse is unlikely to occur (Knights and Morgan 1991).

So, how to end this book? Certainly, every deconstruction can be deconstructed! Writing is never neutral but always requires interpretation. Neither authors nor readers have privileged access to the meaning of texts. In this sense, a book is always beyond our control. It carries a burden of meaning that constantly escapes, slips away, and breaks out. We then have to ask: Can there be an end to a book? Derrida (1977: 18) refers to the idea of the book as a "natural totality" that is alien to the différance of meaning it carries. Isn't the end of a book its beginning and its beginning the end? We are never done with a book, like we are never done with deconstruction. This, therefore, cannot have been a book.

[...]

## **Glossary of Terms**

### Aporia

Aporia comes from the Greek meaning 'the impassable'. According to Derrida, the aporetic is a recurring structure (e.g., in decisions and rules) to which philosophy should aspire. Similar to paradox, whatever is aporetic does not permit 'immediate access'.

#### **Conversational Field**

Discourse fields in which scholars closely observe one another to see existing blind spots of argumentation. Such fields favor criticism over explanation and challenge existing facts.

#### **Deconstruction**

Not a method! A strategy of critical analysis aiming at unraveling the self-contradictions inherent in 'texts'. Deconstruction shows the supplementary relation between two poles of an opposition. In its starkest sense, deconstruction affirms paradox. Hence, deconstruction is about experiencing the impossible—that what makes every identity at once itself and different from itself

#### Différance

Signs never have a fixed meaning. The iteration of a sign creates new differences and by doing so simultaneously defers the presence of meaning. Because of its double meaning (to differ/to defer), différance implies that there can be no present (objective) meaning. Like 'the text', différance is not limited to the written; it leaves its mark on everything.

### **Dominant Logic**

Dominant logics refer to the invisible assumptions and basic belief structures scholars refer to when theorizing in a field of inquiry. In an unnoticed way, they predispose scholars toward a specific set of problems and thus accrue inertia. Unlike normal science, dominant logics cut across paradigms.

**Fact** 

A legitimized piece of knowledge that has been collectively stabilized from the midst of scientific controversies and is strongly confirmed by later scientific contributions.

**Factual Field** 

A closely coupled scientific discourse with strong professional networks which protect its blind spots. Facts are not seen as constructions but as the way reality is. Such fields rely on strong institutional pressures and place tight restrictions on the amount of tolerated skepticism.

**Framing** 

An active operation of differentiation that creates the enacted environment and at the same time gives an organization identity. The frame is between organization and environment and is thus an undecidable term. Since the frame has no place of its own, there are only framing effects.

**Improvisation** 

The conception of action as it unfolds, drawing upon existing material and enforced by organizational members. Strategy as improvisation gives primacy neither to formulation nor to implementation but describes strategizing as thinking in action. In consequence, improvisation is another undecidable term

**Iterability** 

The logic that ties repetition and modification. Because of iterability, there is no pure replication of strategic rules and resources. Any replication always already means modification. The structure of iteration implies identity and difference at the same time.

**Normal Science** 

Normal science refers to the routine work of scientists experimenting within a paradigm, slowly accumulating detail in accordance with established broad theory. Within normal science, scientists do not challenge or attempt to test the underlying assumptions of the paradigm and thus adhere to and sustain dominant logics.

Logocentrism

The desire of the Western culture to view the essence (logos) of a concept (e.g. 'truth') in a way that something else appears as secondary.

**Paradox** 

The simultaneous presence of contradictory elements. Paradoxical reasoning is reasoning whereby the constraining and enabling conditions of a line of argument coincide. Paradox shows us the limits of reasoning, if we try to get to the bottom of things. Although paradox implies impossibility, there are ways of deparadoxification.

**Strategy Practice** 

Strategy practices are repeated (routinized) patterns of strategic activity. Strategy practices are the 'done thing'; for instance, the application of a strategic concept or resource allocation routines.

**Strategy Praxis** 

Strategy praxis represents what actually gets done (i.e. the work of strategists in organizations). Strategy praxis consists of many informal and formal events. Repeated patterns of behavior within strategy praxis can become strategy practices (e.g., strategy workshops).

**Strategic Reality** 

The constructed 'world-of-strategy' in theory and practice. Strategic realities reflect the assumptions of scholars and practitioners regarding the nature of strategy and usually include a variety of theories and frameworks. Porter, Mintzberg, and Hamel/Prahalad have their own strategic realities, while Jack Welch and any other strategist also construct their own 'world-of-strategy'. Strategic realities reflect the belief that 'strategy' does not fall from the sky, but is a product of contingent decisions regarding a specific set of assumptions.

Supplement

The parasite, 'the other' that constantly adds itself to the 'void' that the original leaves. The supplement constitutes the origin and shows that there can be no self-present beginning. The term 'supplement' is itself undecidable and means to add on and to replace/substitute.

Paradigm

Universally accepted scientific achievements that for a period of time provide model solutions and model problems to a community of scholars. Paradigms also include certain metatheoretical assumptions and thus represent a Weltanschauung.

'The Text'

Not a book! 'The text' includes all possible referents in the world. Referents are textualized through language in context. Hence, everything we can know is text, that is constructed through signs in relationship. We may suggest that 'the text' is the imbrication of language and the world; an interweaving of the woof of language with what we call 'the world'.