"The Praxis of Strategic Management in Contemporary Organisations: What are the Implications for Research and Teaching?"

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The Praxis of Strategic Management in Contemporary Organisations: What are the Implications for Research and Teaching?

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Abstract

The strategy field should have matured after four decades of academic teaching and research. Scholars in Europe argue that the field is still lacking direction, respect, roles and contribution. Some scholars go as far as claiming that the field is in crisis. The author argues that the field is replete with various competing fashions, perspectives and directives, and as a result, it has become ambiguous, fragmented and to a large extent multi-vocal. This article examines the praxis of strategic management and draws on a number of vignettes from contemporary organisations to bring fresh insights into the field of strategic management. The aim is to contribute some fresh empirical evidence to inform research and pedagogical development in the field. The study seems to show that the strategy field is not in crisis as argued recently by scholars. Whilst it is ambiguous and lacking direction, it is still playing an active management role in contemporary organisations. However, its praxis cannot be fully understood from a single theoretical perspective and there is no foundation to the claim that one perspective is intrinsically more relevant than any other. There is always an inevitable epistemological problem of revealing the praxis of strategy in contemporary organisations due to the complexity of the internal and external conditions and environment in which that strategy exists. The possibility of achieving a consensus standard model, the insights from which allow us to teach and research the field comprehensively remains a forlorn hope. However, the study seems to conclude that the praxis of strategic management in contemporary organisations is better understood and research from a contingency perspective adopting inter- or multi—disciplinary approach.

Key words: empirical study; strategy-as-practice; praxis of strategy; teaching and research.

Background

After 30 years of research and teaching, the field of strategy has yet to reach maturity and be respected. The nature of the subject field is still imprecise and confusing. Strategy means different things to different people and has different connotation in practice. There is no agreed standard definition of strategic management, but the notion remains with most academic that it is an important subject field, capable of providing final year undergraduate and MBA programmes with a capstone and powerful mechanism to research and study the entire scope of decision-making activity in an organisation. The whole paradigm of strategic management is further confused by the fact that under some contextual circumstances and at certain point in time, almost every management action or decision can be termed 'strategy'. As Whittington, a renowned academic in strategy field, candidly admitted that despite taught strategy for over 15 years, he still knows very little how to do strategizing (Chia, 2004). There is no doubt that the confusion over the conception of the strategy field is driven by the diversity and complexity of corporate strategic issues that contemporary managers have to deal with. Who is the strategist, and who determines and manages strategy in contemporary organisations, that is, the overall praxis of strategy is largely unclear to date. Strategy has become an all-purpose term for research and pedagogical development in Business School, meaning almost anything one chooses it to mean: a convenient label for a range of management techniques, theories, concepts and corporate issues that are subject to fads and fashion. It is not surprising to find that the field is still groping for direction,

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role, respect and contribution. It can be reasonably argued that much of what we know about the nature of strategy over the last thirty years since the inception of the subject field has been very spasmodic and of very limited usefulness for research and pedagogical development. However, what we seemed to know is that orthodox rational planning, soft technocratic strategising, and resource and market positioning-based paradigms of strategy neither do good nor harm to enhance organisation performance. The common critique is that the problem is attributable to paradigms that are underpinned by Cartesian and narrow process, and the respect for positivism that are incompatible with the praxis of strategic management found in contemporary organisations (Alvesson and Willmott, 2003). More recently, European strategic management scholars have united and argue that the strategy field has been highly misled and misinformed by research publication outlets and the usefulness and validity of the field is questionable (European Management Review inaugural issue, 2004).

The praxis of strategic management: the European critics

Academics in Europe have recently united and appraised the strategy field in a special issue of the European Management Review (Mckieman and Carter, 2004). Many of these scholars argue that the study of strategy is in a state of crisis and are demanding new direction, roles, respect and contributions from major research publication outlets and Business School to revive the field. Their major critiques and arguments seem to centre on issues concerning the misconception of the praxis, a perspective that seems to be gaining prominent ground. For example, Wilson and Jarzabkowski (2004), critique the process and argue that strategy is best understood as being a combination of action and direction, and we should not undermine the importance of the practical-evaluative i.e. the analytical and practical link that captures the very performance of strategy. Clegg, Carter, and Komberger (2004), critique from an epistemological perspective, contending that viewing strategy as a practice might avoid the Cartesian process of studying strategy i.e. the split between the mind and matter. They argue for a need to treat the study of strategy as a practice to provide sociological insights to understand what it is that the strategists actually do. Most of their views concur with Whittington's (2003) critique on orthodox strategic management, that is, a subject field that is trapped in a positivist epistemological strand of its own making. Whittington's agenda alleges the sociological science as a major strand in the field of strategic management by making the connection between strategy and practice. Much of his writings seek to bring insights from sociological theory to further the conceptual understanding of strategy as a social practice. Chia (2004) on the other hand admires the strategy-as-practice approach as a way to provide a clearer directive in the field, but is concerned with the ambiguous definition of 'practice' i.e. what constitutes practice. He draws upon Heidegger's notion of dwelling (1962), Bourdieus' ideas of habitus (2002) and Dreyfus's ideas of styles (2001) to critique strategising and contends that it is only through actual physical involvement and direct experience that strategy-as-practice can be better understood. Volberda (2004) argues that the strategy field is diffused and there is no clear directives and purposes. He does not feel that any increase in pluralism will help in the understanding the praxis and calls for more integration and synthesis of the body of knowledge, methodological approach and the set of problematic areas to enhance and progress the study of the field. Ezzamel and Willmott (2004) critique the strategy field from a Focaudian political perspective. They are concerned with the rational and positivist thoughts in strategising and argue for a more discursive view in understanding praxis of strategic management. They are not happy with the neutrality of the practice-base perspective as a way forward in the study of strategy, contending that strategy does not exist independently but through transcendental phenomena i.e. the connections between power, knowledge and discursive practices. To them the interrogation of power and language is a much better way to understand the praxis of strategic management. Lowendhal and Revang (2004) place importance emphasis on the impact of the changing external environment on the internal environment in the understanding of strategy-as-practice. They focus on understanding the market or customer in an 'after modern' epoch to gain fresh insight into the praxis of strategy. They contend that the key strategizing skill required to deal with the complexity of the external environment is simply understanding

customers combined with experience and expertise regarding what the firm offers. Their idealistic approach seems to place strong emphasis on the ability to manage the complexity of external and internal environment in relation to the praxis of strategy. Knight and Muellers (2004) view the praxis of strategy from a 'project' perspective in order to overcome the common problem of duality between objectivism (positivist thoughts) and subjectivism (fads and fashion). They argue that the duality between objectivism and subjectivism in understanding strategy-as-practice undermines the sovereign conceptions of power and subjectivity that has long been challenged by Foucault. Their contention concurs with that of Ezzmel and Wilmott (2004), who are concerned about objective reality in the processual approach of examining strategising. They maintain the position that there is no neutral construction of strategy because the environment is politically and socially constructed and no strategy is independent of the subjectivity of the people who operate it.

Other various scholars make connections to the praxis of strategic management by bringing some insights from various perspectives to enrich how strategy is to be understood (Mckierman and Carter, 2004). Mackay and Mckerman's (2004) make the connection from a cognitive psychology perspective, Starkey and Tempest (2004) stress the significance of social capital and knowledge in the European context, as opposed to the idea of 'Americanization', Fiegenbaum and Thomas (2004) take an inter-disciplinary approach via organisational behaviour, risk management and cognitive theory to gain insight into strategic risk management, Caldert and Picart (2004) make connection through Stacey's (1980) complexity theory to make sense of the turbulent environment and strategising, and finally, Clark (2004) illustrates strategising with an analogy of a management fashion perspective.

In sum it can be reasonably argued that all these European scholars attempt to revive the subject field of strategy within a European context by providing fresh conceptual insight into the praxis of strategic management in contemporary organisations. They also attempt to break away from a more positivist orthodox strategic management favoured by most but not all North American counterparts. The importance of the subject field to European Business School research and pedagogical development cannot be over emphasised. Strategy plays a predominant capstone role in the main stream Business School undergraduate and postgraduate business and management programmes. The subject field is a serious business from a research and pedagogical point of view and undoubted, demands critical attention if there is any change of reviving the field. In most UK Business Schools more than half of the research output and curricula in management programmes is in the related strategy field or with a strong connotation of strategic management (Choo, 2003).

Research Agenda

Whilst, it is fair to argue that these European scholars are making significant contributions to revive the strategy field by bringing in fresh insights from various perspectives, regrettably, most but not all are only making references through conceptual based evaluation. It is difficult to find an empirical study in any depth, particularly in European context to inform how the art of strategic management is actually practiced in a contemporary organisation i.e. the praxis of strategy to inform pedagogical development and research design. In other words, we need a fresh informed valid foundation based on empirical evidence to address some fundamental questions of how strategising is actually carried out in contemporary organisations and attest some of the more recent ways of conceptualising the praxis of strategic management. It is not my intention here to repeat what was asked of the nature of managers' work 30 years ago, particularly the studies conducted by Kotter (1982), Mintzberg (1973) and Stewart (1976), but to provide fresh insights from contemporary organisations that are regarded as important evidence for further research and more importantly for curriculum and pedagogical development. The author feels that there is an urgent need to fill this research gap if there is any hope of reviving the strategy field – after all strategy field plays a significant central role in a business community in producing and re-producing the art of strategising, and the recognition of and respect for the field are judged by how the art contributes to organisation performance.

Research methodology

A methodology incorporating an interpretive paradigm is adopted in this study. The author felt that it is necessary to adopt an interpretivist methodology to discover what Remenyi (1998) called 'the details of the situation to understand the reality or perhaps a reality working behind them' – the social constructionism. In accordance with his argument, it is necessary to explore the subjective meanings motivating managers' actions in their actual working environment in order to fully understand them. Managers may place many different interpretations on the situation in which they find themselves. These different interpretations are likely to affect their actions and the nature of the how strategising and decisions are made. In other words, managers not only interact with their environment, they also seek to make sense of the contextual environment through their interpretations of events and the meaning that they draw from them. In turn their own actions may be seen as being meaningful in the context of these socially constructed interpretations and meanings. Therefore, it can be argued that it is necessary to adopt such an interpretive epistemological strand to seek to understand the subjective social reality of managers in order to be able to make sense of and understand their motives, actions and intentions in a way that is meaningful for the research. Guba (1992) argues that interpretive methodology offers a way of capturing as much of reality as possible. It also helps to ensure that the rich insights into complex organisation is not lost and reduced entirely to a law-like presumption that strategising is always a top- down rational approach.

Sample

Overall, 28 managers participated in the study. The sample included 20 past MBA graduates from the Business School where the author is currently employed. The 20 past MBA students were randomly chosen from a selected list of past student records. It was necessary to adopt such a quota sampling procedure for the 20 past students to ensure that the selected sample were appropriate for the study and able to relate their experience to the strategy field. The twenty-eight participants came from a range of sectors i.e. health services, local government, financial services, manufacturing and small and medium sized private enterprises. The overall sample consists of 12 women and sixteen men and their ages ranged from 30 to 55 years. All the 28 participants are employed in responsible senior posts and played important strategic roles in their organisations. This was validated from a pilot study. All the twenty managers offered to co-operate fully in the study.

Data collection

A Semi-structured interview was the main research instrument used in data collection. Other instruments e.g. minutes of meetings, informal dialogues with participants' colleagues and company annual reports were used to triangulate data for its factual accuracy. All interviews were conducted in a private place of their choice e.g. in participant's workplace or home. A pilot study was carried out with a few participants to attest the appropriateness of the questions in the interview. Working in accordance with interpretivist and constructivist epistemological paradigm (Denzin and Lincoln 2000), the interview questions were framed to detect participant's experience and outcome like story telling (Sack, 1974) – describing some strategic issues they encountered and how they were dealt with in their organisations. The main aim was to probe participants' experience in terms of their constructs, premises, presumptions, presuppositions and practices that drive what and how strategic decisions were made and implemented in their organisations. The questions covered participants' perceptions on strategic contents, process and context (Petigrew, 1992) and their evaluation in terms of their impact on organisational activities and performance. The questions did not make any references to any model or approaches to strategic management to ensure that the author did not unduly influences on participants' description of their experiences and outcomes. However, before the interview began participants were informed of the tenets of strategic management to ensure that the experience they described was related to issues of a strategic nature and not confined to day-to-day operational matters. To this end, participants were given the definition of a strategic issue before the interview began i.e. they were informed that the

term is concerned with the entire scope of decision-making activity in their organisation and involves three fundamental things:

1. Determine business direction and long-term performance of the organisation.
2. A set of managerial decisions that links the entire internal organisation activities to the external competitive environment and consequently have a profound impact on the entire organisation resources and performance.
3. Prioritise the use of resources and internal managerial activities that requires major organisational and cultural change.

All interviews were audio taped with prior consent of the participants. Each interview lasted approximately 2 hours.

Data analysis

All interviews were analysed individually and immediately after each interview. The aim of the analysis was to identify and cluster emergent and consistent themes or categories. The process was both inductive and deductive. The inductive process looked for consistent themes to emerge from the data (Glaser and Strauss, 1967 and Yin, 1994). A deductive approach was taken to supplement the inductive approach to ensure that the author did not over-interpret or misinterpret the data. The author's own foreshadowed theoretical constructs were used to sensitise the data. This overall iterative approach has been used successfully within an interpretive methodological paradigm to identify cluster emergent themes or categories whilst maintaining the richness of the data (Miles and Huberman, 1994).

A sample of interpretations was crosschecked by experienced academic researchers to enhance the dependability of the findings and enable a degree of confidence to be maintained about the credibility of the themes generated. The overall iterative process has also allowed the author to refine the themes and categories when needed. Throughout the analytical process, the practical guidelines of 'conversation' analysis were adopted (Silverman, 2001) to clarify and detect unanticipated themes i.e. deviant-case. Attention was paid to the sequences of related talk, how participants take on certain roles identified through their talk and particular outcomes in the talk such as laughter, request for clarification, unusual tones etc.

Problems and Ethics

It is important to consider how the research process and the author's status as an academic researcher affected how participants, particularly the past MBA students responded to the interview questions. My role as their ex- teacher meant that potentially the author was viewed as 'expert' in the subject area of strategic management, which could have inhibited the process of data collection. Also my personal beliefs and biases may influence the interpretation of the data analysis. Wherever appropriate all participants were clearly told, prior to the interview, that the purpose of the research was to seek new ideas to improve the teaching and learning of strategic management in the Business School. Throughout data collection and analysis, the author engaged in a process of critical self-reflection in an attempt to overcome personal bias and clarify tension arising from the differences between author's belief and values and those held by participants. This was important because many of the issues touched on were highly personal and emotive and they were related to the author in the ways that did not rely on academic discourse. It also helped to balance the author's theories-in-use and espoused theories (Argyris and Schon, 1996), a common problem experience by researcher.

The author was aware of the sensitivity of the research topic, his role in relation to individuals being studied and participants' fear of confidential information being divulged to competitors and the public. These problems were confronted by reassuring all participants before and during the interview with a declaration that the primary aim was to preserve the confidentiality of all the information given by the participants in relation to their organisations. Assurances were given that all audiotapes would not be given to any third party without their consent and no participant's name will be mentioned during recording. The author had also made it absolutely clear to participants that no company would be named in any future publications arising from the research unless specific permission was sought. Overall no difficulties were encountered in

arranging access to participants and all participants had given their utmost co-operation in all fieldwork.

Findings

The aim of this section is to synthesise the praxis of strategy i.e. capturing participants' ways of strategising as practice and grouping them into themes of conceptual perspective. The remarks, statements and comments made by the participants in response to the questions in the interview are given in indented form. The participants were represented with numerical figures from 1 to 28. There were a number of different consistent themes of strategising drawn from the analysis that can be grouped into five conceptual perspectives, each embracing the praxis of strategic management.

1. Analytical and positivist perspective

As anticipated, the findings show that ten participants (3, 4, 7, 8, 9, 12, 16, 20, 21 and 22) from small and medium size manufacturing and service organisations reported that they used some forms of rational and analytical processes to address strategic issues. For example, a remark that come from participant (7) of a medium size private enterprise reflecting on how he dealt with a decision concerning market share that involves rationalization of the company's product range:

I have to be careful about what I am doing. I got to have a sound data- base about the market situation to work on and help me to make decision rationally. I need to feel comfortable with my decision. I would not make such an important decision on an ad hoc basis without involving my team of managers in planning. My team of managers will carry out a rigorous market and company resource appraisal like the SWOT analysis that we learned in Strategic Management and together we will plan and make the decision base on what we found.

Manager (9), from a medium size service company, made a similar point:

Recently, I carried out a strategic review with senior colleagues from my Business Planning department in an away day in a hotel to find out where we are now and where do we want to go. Our company was concerned about the cash flow and the rate of expansion of our Business. We need clearer direction. We carried out a strategic analysis with the help of a consultant and come out with a few options to decide which market we should concentrate. I think we have opted for the right decision based on our analysis. The analytical techniques that I learned in Business School were useful here.

The findings clearly show that the positivist approach to strategising is highly prevalent in organisation. In practice, there is evidence to show that strategy is the product of systematic analysis, search and evaluation with an aim to achieve optimum results. Managers felt more comfortable when there were given a few informed strategic choices to set against their company objectives. The dichotomy between strategy development and implementation also prevailed. The findings show that once the strategy or course of action is agreed, the implementation is carefully planned. An example of a remark made by participant (16) from a manufacturing company explaining how he addressed the problem of new product development in response to a threat from a new competitor:

……….the technical product development department is responsible for making changes to the product. All product modifications are carried out in conjunction with the sales department who have more on-hand information about the competitor's market. We got to be very clear about our strategy or course of action and also our customers. We come out with a strategy and formally handed it down, with board approval to the Operations Manager for implementation. He is responsible for the overall strategic implementation because he is responsible for managing 80% of the company resources.

2. Incremental and learning perspective

Nine participants (4, 7, 10, 12, 14, 18, 23, 25 and 28) from manufacturing, public and service sectors similarly reported that their organisations did not address strategic issues on a top-down basis and implement the decision on a one off grand scale using hard information i.e. market analysis, financial analysis, risk analysis, etc. The reasons given seem to centre around the notion that there are certain strategic issues, which are too risky to lend themselves to this approach. Most decisions were made and implemented through stages by functional managers without direction from the top management and every stage was subjected to critical review. For example, participant (12), a senior manager from a medium size financial service company, that is attempting to maintain its market position by differentiating its core business by adding new service concepts:

…….Whilst the board of directors approved the decision, we do not implement the decision fully because of many unknowns and is very risky – it involves heavy commitment in terms of financial and human resources. We do not know how our customers and competitors will response to our strategy. We implement the decision, stage by stage and see how our customers and competitors react. We have to experiment our product changes in the market place and learn from our mistakes as we go along.

Similarly, a participant (4) from the public sector described how a strategic decision was made in her organisation in response to a demand for better customer care policy:

We try to find out what are the nature of the problem and try to adjust our service bit by bit. This is because it takes time to train people and moreover we are constrained by resources. We have to prioritise on what we can afford, test the public perception of our service and learn from them one step at a time, and also in the meantime trying to satisfy government legislation. A textbook prescriptive approach will not work here.

The findings seem to concur with the argument that strategy does come about through a process of logical incrementalism (Quinn, 1980) and muddling through (Mintsberg, 1987). In practice, strategy does not always come about through a top-down rational process and implemented on a grand scale basis. The overall findings seem to suggest that strategising is evolutionary and with an objective purpose in mind. There is a distinction between intended and realised strategy. It seems to show that an intended strategy is built around a strong, secure and flexible core function or business through experimentation and continuing adaptation to avoid risk. This is not surprising as effective managers in contemporary organisation tend to see their jobs as managing adaptively to keep in line with the turbulent and unpredictable environment while maintaining comfort and security when face with many unknowns.

3. Social and political perspective

Ten participants (1, 2, 4, 5, 6, 10, 11, 21, 26 and 28) reported a similar theme that their organisations address strategic issues simply through some forms of sociological or political processes or practices. They reported that there were powerful individuals or group of stakeholders within and outside their organisations who dictate strategic decisions. Three of the participants (5, 10 and 26) reported that there were powerful individuals in their organisations influence strategic decisions by laying down expectations and goals to benefit individual interests first, by withholding vital information and manipulating key issues. An example of a quote comes directly from participant (5), a senior manager from a service company having to deal with a decision whether to sell a sister company as part of the company retrenchment strategy:

... there is no such thing as a rational strategic decision. A strategic decision I am describing is socially and politically constructed. What I learn from the Business School does not apply here. There are group of powerful senior individuals in my organisation are looking after their interests. These individuals are all social friends and meets very regularly in clubs and pubs. They manipulate key issues and withholding vital information and laying down personal expectations and goals as a basis for argument and negotiation.

Also these individuals have different social and ethical values when come to redundancy. There is no rationale behind their arguments, except socially and politically motivated.

Similarly participant (21) who works for an education institution involving policy and strategy development made the following remark when asked to describe a strategic decision with which he was involved:

……..I have been preparing the institution for merger by providing important strategic information to the Board. Everything is fine and the information needed for a vital negotiation supports positively for the merger decision to go ahead and is highly commended by the board. However, to my surprise, the information has been unduly re-constructed and re-interpreted in a different context by a few senior individuals during a vital merger meeting to suit their interests and arguments and as a result the whole rationality for a merger was different from the original proposal.

Participant (10) who works for a local authority as senior policy analyst made the following comment when asked to describe a strategic decision she had experienced:

With all due respect with what you academic teach in the Business School. You can do whatever environmental analysis you like and talk about strategic management. The bottom-line is that the ultimate strategic decision in my authority is governed by political party decisions. We are constrained by community politics and central government intervention and control. The political values, priorities and key issues of the authority are articulated clearly by the political party in power and these are set out to shape the political agendas or strategy of the entire authority. There is no rational debate on how to develop sound strategy – it is simply sheer politics.

The findings seem show that in practice, strategy emerges through sociological and political processes of bargaining, negotiation and editing. The process of strategizing subsumes individual interests, conflicts and demands and it is controlled through sociological and political activities and trade-offs. The process also subsumes a small degree of post modernist pluralism. However, the overall finding shows that Foucauldian power relationship tradition and the conception of strategy as a mechanism of power (Whipp, 1999) are more prevalent in strategising.

4. Visionary and cultural perspective

Eight participants (1, 3, 11, 12, 13, 15, 24 and 27) similarly reported that any strategic decisions that can have a profound impact on the direction or the entire core business of their organisations were made by him or her, or with a small group of advisers consisting of senior departmental managers reporting directly to them. An example of a remark made by participant (1), a top branch senior manager of a medium size financial company deciding whether to diversify into different business by acquiring another company:

I have to take the sole responsibility for such an important decision. I was recently appointed to lead and spearhead this holding company because of my previous proven track record of business success with a big corporation. …….I decline to buy that company even though it is a very profitable business………... I believe sticking to what we can do best and nothing else. Moreover, I have an idea or vision where my company should be going and I have incorporated it in a recently crafted company mission statement. I have a good business mentor who is also a personal friend advising me on strategic matters. Some of the advice I was given, I am afraid cannot be found in corporate strategy text- books.

Participant (12) who owned a chain of family restaurants made the following remark when describing how she had to deal with a most important strategic issue of her life concerning whether to incorporate western entertainment in the core restaurant business of providing traditional good quality food:

………I think this is a good idea as there is a high degree of synergy here to expand our business. I was born and bred in England. However, my family still have a lot to say about how to run our business and they felt that it will upset the family traditions and culture and contradict what our business stands for – a business that provide an

environment to promote traditional oriental values and culture. We are doing exceptionally well at the moment and I was told not to rock the boat.

Participant (18) who worked for a very large bureaucratic charity organisation had the following things to say about strategising:

Whatever strategic decision we have to make, whether it is increasing market share, making profit, improving quality services, the final decision is governed by a set of strong values and beliefs. These set of beliefs and values are laid down implicitly in rules and procedures. How we run our business is guided by these rules, systems and procedures. In board meetings, I always encounter problems with the same few directors who often rejected my business ideas by stating a common phrase: 'this is not the way we do thing around here' and I just find it difficult to challenge their arguments.

The findings seem to show that in practice, Chandler's notion of strategy follows structure (1962) is highly prevalent in strategy development. Strategising is governed or dictated by organisation traditions and culture i.e. a set of organisational assumptions, beliefs and historical values. These are normally supported and reinforced through organisational systems, rules and procedures. In practice strategising is also associated with a charismatic individual or a small group of people who influence organisational direction or vision i.e. decision concerning longer-term business direction or goal. There are also individual or group of individuals contracted in by organisation to take on a major advisory or executive leadership role.

5. Contingency and natural selection perspective

Six participants (1, 8, 12, 13, 14, and 19) similarly reported that they were not given any opportunity to strategise in a way that they would like. Government pressures i.e. legislations and competitive forces limit their strategic action or choice. Participants see their scope of strategising as severely limited. All they can do is to respond to the environment imperatives based on intuition like natural selection. An example of a quote comes from participant (19), a successful entrepreneur:

I have a few good ideas of how to grow my residential care businesses. I would like to re-focus the residential home business concept by incorporating more modern entertainment facilities. There is no chance of me doing it because it will upset community traditions, a few politicians and government bureaucrats. All I can do is to keep my head down and learn to be a good citizen by conforming and responding to the legislations and promoting good public relations. I am happy at the moment – I make a reasonable return on my investment every year. ………I don't know for how long.

Participant (13) who runs a small private enterprise in a very mature industry made the following comment when asked about how strategic decisions were made in his organisation:

We do not have much choice to decide where our business should be going and how to compete in our market. I don't have strategic choice to shape my organisation. The business environment is too complex and turbulent to cope. Our competitors are too big, strong and dynamic and all we can do is to respond intuitionally as much as we can to whatever our competitors do or face closing down. Moreover, our business depends very much on a few suppliers who indirectly dictate the selling price of our products. We got no choice, but to keep our supplier happy. It is very cumbersome when you start strategising – suppliers change their price so often and you just don't know what competitors are doing everyday.

The findings show that in practice the environment does limit the scope of strategising and strategic choice of organisations. Strategising is like a natural selection process and is consistent with much that has been written about the tenets of complexity theory i.e. the environment presents itself to the organisation as a set of natural forces and the organisation must respond to them or else risk de-selected. Managers are forced to respond intuitively in a distinctive way where they remain comfortable until resources become too constrained or environmental

conditions unbearable that they either gradually withdraw from the business or close down the business completely.

Discussion

There seems to be evidence from this empirical study to suggest that the praxis of strategic management in contemporary organisations embraces very rich and diversified managerial decision making processes which are complex and iterative and cannot be understood fully from a single traditional planning or positivist perspective. There are other perspectives highlighted in this study, e.g. cognitive, learning, cultural, social and political ones which suggest that we need contributions from other subject disciplines if we are to comprehend the praxis of strategy fully and make effective contribution towards research, and pedagogical development. The findings concur with much of the arguments that have been posed by most of the European scholars in the recent inaugural issue of the European Management Review who critique the strategy field by bringing fresh insights from other subject discipline or field. The overall finding seems to suggest that a multi- and inter-disciplinary approach to the study and research is needed if there is any hope of gaining credibility in terms of its validity to revive the field. There is evidence in the findings to show that strategic management in contemporary organisations is a rich and complex process and to understand and research the praxis fully and comprehensively we need the underpinning theories from various subject disciplines or fields – cognitive and social psychology in strategy development; leadership, entrepreneurship, sociology and anthropology in strategic learning; political science, industrial organisation and history in managing strategic conflicts and values and change; positive economics, mathematics and management science in rational planning. One thing is clear – praxis of strategy is not just about setting long-term goals or vision, building competences and capability defined strictly in military or competitive market terms that are historically within the province of planning, positioning and resource-based schools. This empirical study seems to show that the overall praxis is also about judgemental and risk taking; engagement with intuitive visioning; formal planning and reflective learning; transformation and also perpetuation- all these tenets involve individual cognition, social and political interaction, co-operation, and conflicts. The process is discursive and normally embraces cognition of 'analysing' before the process, negotiating and editing during the process and programming after the process – a messy and complex relationship. Who strategise and how in an organisation seem to be contingent upon the demanding complex situation or environment in which the organisation operates. This empirical study does not support the contention that the field of strategy is in crisis and out of control as implied by some European scholars and critics recently. There is empirical evidence in the study to show that contemporary organisations do actively strategise and the overall process plays an important legitimate role in linking the interior activities of the organisation to the exterior world of the environment in which organisation operates. It seems that it is the conception of the praxis i.e. how we understood strategy-as-practice and not the subject field that is in crisis. We need a synthesis of relevant theories from various subject disciplines or fields to inform research and teaching and to challenge some of the problematic premises, presumptions and presuppositions that are currently underpinning the subject field. More importantly, we need to remove bias and ask relevant practical questions concerning the praxis to allow ourselves to be pulled by the concerns of how the field is practice rather than being pushed by generating hypotheses and unfounded concepts based on one single theoretical perspective of research. In sum, an inter-disciplinary or multi- disciplinary research is needed to regain credibility in the field.

Conclusion

This empirical study provides some evidence to contend that the praxis of strategic management is driven or governed by the complex and demanding environment in which contemporary organisations operate, and we need a multi- and inter-disciplinary in research and pedagogical development. The possibility of coming to a foundational set of a single theoretical

perspective whose insights allow us to fully comprehend the praxis of strategy remains a forlorn hope because of the complexity of the relationship between the process, content and context of strategy. The validity of the subject field can be better achieved by fully integrating the content, the process and context of strategy through multi- and inter- perspectives. In other words, there is a need for a multi- and inter-disciplinary approach to pedagogical development and research that allows us to probe and address the relationships between content, process and context of strategizing holistically. On the basis of the empirical findings in this study, the author believes the praxis is best understood from a contingency perspective i.e. from a specific contextual or industrial environment – the size of the organisation, the technology, the stability of the environment, competitiveness, history of industry or organisation, etc. Pedagogical and research design carried out under such a strand will better satisfy the realization that strategic management is a complex process and also provide a more valid epistemological foundation in explaining the differences of situations giving rise to different behaviours and decisions. It also provides a more systematic and clearer understanding of the key environmental variables that are responsible for the differences of strategising found in contemporary organisations. Finally, there is an urgent needed to find a more coherent research and pedagogical model that is able to integrate multi and inter-disciplinary subject fields to provide clearer direction, role and contribution.

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