

The social character of organizational change: Strategizing as emergent practice

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ABSTRACT

Increasingly, researchers on strategy are turning away from the highly abstracted and de-humanized components that seem to typify the macro approach to strategy. This movement is at least partially brought about by a philosophical recognition that the emergent and unpredictable nature of organizational life is fast exposing the constraints of an approach to strategy that is based on the values of rationality, predictability and control.

In this thesis I argue that organizational change in general and the *act* of strategizing in particular can be thought of as a social, transformative and emergent process as opposed to the overly orderly, rational, formative and/or humanistic views on strategy presented by systemically oriented theorists. I draw on the theory of complex responsive processes of relating as espoused by Stacey, Griffin and Shaw (2000) and specifically on Stacey's (2003, 2007) substantial contribution to the field of strategic management. By utilizing a reflexive research methodology I describe the arduous social and emergent process of transformation in my practice and identity (observable in subtle changes in disposition, language and assumptions) as I begin to act into the understanding of strategizing as an ongoing, incomplete, social process. In doing this, I am suggesting that the narrated accounts of our shifts in practice due to us *knowing* differently are important contributions in the process of transforming our theories on and beliefs around strategy. These accounts should not be seen as premature attempts at methodological frameworks, but rather as explorative participation in the emergent transformation of a radical, social approach to strategizing.

I engage critically with the notion of strategy-as-practice and suggest a review of the fundamentally rational and formative assumptions still prevalent in the work of researchers like Johnson, Melin and Whittington (2003) and Samra- Fredericks (2003). Whilst acknowledging the role of culturally mediated dispositions in the ongoing transformation of organizations advocated by Chia and Holt (2006) and Chia and MacKay (2007), I argue for the paradoxical and therefore simultaneous occurrence of *habitual and mindful* actions by people strategizing as opposed to the authors' suggestion of a predominantly *mindless* experience of organizational change.

Finally, I turn to Stacey's (2007) question as to why people continue to make long-term forecasts if their usefulness is so obviously limited. Whilst understanding his frustration, I argue that there is value nevertheless in engaging in strategy making albeit not for the rationalist reasons usually stated. In my view the real value of strategising is to be found in two areas: first in the social activity that goes into creating these documents, and second: the documents not only serve as markers in an ongoing process of strategising; they also give us a way of 'going on' and taking the next step..

Keywords: Strategy, strategizing, strategic management, strategic transformation, complexity, emergent, intention, Stacey, strategy-as-practice, sociology, complex responsive processes of relating, organizational development, organizational dynamics.

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INTRODUCTION

In this thesis I apply the theory of complex responsive processes of relating (Stacey, Griffin and Shaw, 2000 and Stacey, 2003) to my practice as a strategist. In this regard, the scope and depth of Stacey's (2003, 2007) arguments on strategy make this a worthwhile project in its own right. (Paraphrasing Rorty's comment on Hegel, it was as if I found Stacey waiting patiently at the end of most of the arguments that I explored.) I will then argue that, in proposing a radical *social* view on strategy and organizational change, Stacey presents theorists and practitioners with an important alternative view on the field currently dominated by the overly lifeless and aggregated, macro views prevalent in mainstream literature. I consider this then my first contribution to the field of strategic management: a detailed account of the emergent and social transformation of my practice from viewing strategy as a rational and formative process to understanding *strategizing as emergent practice*.

With the term *strategizing* I am deliberately not opting for the noun, *strategy*, as would be favoured by main stream theorists like Porter (1985, 1996) or Prahalad and Hamel (1990, 1994). Rather I am drawing on the work of theorists opting for a 'sensitivity of verbs rather than an assumption of nouns' (Johnson, Melin and Whittington, 2003: 7) to add weight to the arguments promoting the social primacy of organizational experience. Furthermore, with *strategizing* I am drawing a distinction between work of a strategic nature and the day-to-day managing and operating of a business. In this respect, Hendry and Seidl (2003) argue that those strategic episodes are characterized by a reflexive discourse during which 'organizational routines are viewed and acted upon' (Hendry and Seidl, 2003: 177). Similarly, Chia and Holt (2006) argue that the ordinary, practical coping of organizational members (referred to by the authors as a Heideggerian form of dwelling) should be differentiated from the non-habitual, *building* mode when we are *deliberately* attending to important equipment or processes as conspicuously absent, obstructive or broken. Thus, I will attend to *strategizing* as the social processes people in organizations participate in during episodes in which they attempt to bring about significant changes to the existing order.

As a second contribution to the field, I deconstruct what Stacey means when he argues that 'organizational strategies emerge *unpredictably* in the interplay of many different intentions' (Stacey, 2007: 250; italics added), and '[The] movement of human action is toward an *unknown* future' (Stacey, 2001: 162 – 163; italics added), and 'Strategic direction is *not set in advance* but understood in hindsight' (Stacey, 2003: 423; italics added) and finally, 'Why do people prepare long-term forecasts if it is *impossible* to make *useful* long-term forecasts?' (Stacey, 2003: 421; italics added). As a practicing strategist, his apparent negation of the value to be derived from people's efforts to anticipate the future evokes a sense of hesitancy, skepticism and even futility in me. I say 'apparent' because, while Stacey argues consistently and compellingly for an unknown future, the unpredictable emergence of strategies or the impossibility of *useful* forecasts, I also understand him to ascribe fully to the importance of people's tendency to present to themselves what is going to happen (Mead, 1934). He has then also argued extensively on the prevalence of intentions and intentional themes and has pointed to how strategies emerge from the interplay of intentions (Stacey, 2007). With my comment I am pointing to two observations: one, Stacey does not explicitly negate the value of plans and strategies – rather, it is by *not affirming* their value outright that his statements create the appearance that it is futile to plan for the future. Two, after coining the phrase 'interplay of many different intentions' Stacey leaves the particularization of the phrase hanging. In other words, he does not explore what this interplay will look like and how it may manifest in ordinary organizational life; for instance, in someone documenting some of these intentions in a plan. I aim to explore then the sensibility (if any) of our references to the future and if indicated, rehabilitate the practice of *strategizing* within the context of an essentially unpredictable and socially constructed future.

As a third contribution to the field, I aim to take up Stacey's assertion that the perspective he is offering (merely) invites people to explore 'a way of thinking about what we already do' (Stacey, 2007:270). I will argue that his statement reflects a thinking-doing dichotomy that does not corroborate a social and transformative view of practice. In taking up this argument I aim to explore the shifts in practice that I experienced and that I have come to

view as inescapable due to *the act of knowing* (Spencer and Krauze, 2006, drawing on Hegel). In doing this, I hope to add a pragmatic texture to the theory of complex responsive processes of relating which Zhu (2007) accused of being overly theoretical. ‘I am not saying that there is all theoretical sophistication and no practical concern, I am saying that there is an imbalance. Stacey’s theorising is rigorous and forceful; I just wish to see it making real, practical differences’ (Zhu, 2007: 10). I subscribe to the transformative and emergent quality of our efforts to apply Stacey’s insights to our practice. I am thus not attempting to turn my unique experiences into a repeatable methodological framework. What I will aim to do is to, by articulating the shifts in practice, contribute to the emerging nature of a radical approach to *strategizing*.

In the next section, I describe the research methodology followed during the course of the Doctorate in Management Program. Epistemologically, my approach is based on the *hermeneutic* preference of penetrating dialogues with the text as well as the *phenomenological* aspiration to directly capture my experience. Methodologically, I followed a *reflexive* approach to research. My focus is on the emergent and exploratory interpretation of and reflection on my own experience as well as the traditions of thought in which I locate the way I am making sense of things. I will reflect on my experience of four episodes at work, captured as four projects. My reflections and interpretations of that experience were continuously scrutinized and challenged by primarily the members of my learning set, comprising of two fellow students and two supervisors.

In Project 1 I reflect on the cultural, educational and professional influences that had shaped the way I viewed the world at the onset of the Program. It is evident how my view on organizational life drew strongly on various applications of systemic thinking.

In Project 2 I turn to those very systemic influences and focus on some of the core assumptions underpinning Strategic Choice theory. I reflect on a specific strategic episode at work and, drawing on the theory of complex responsive processes of relating (Stacey, Griffin and Shaw, 2000 and Stacey, 2003), critique the overly realist, cognitivist and humanistic assumptions held by key exponents of Strategic Choice theory (Porter, 1985,

1996; Prahalad and Hamel, 1990, 1994). The project is important for two reasons: one, it is through the process of critiquing Strategic Choice theory that my broader argument against rational and formative approaches to strategy begins to take shape and two, I utilize the process of critiquing to begin assimilating the theory of complex responsive processes of relating.

In Project 3 I engage critically with Stacey's (2003) comments on the apparent futility of attempts at long-term forecasts whilst also arguing that '... strategies emerge unpredictably in the interplay of many different intentions ...' (Stacey, 2007: 250). As a practising strategist I found these comments unsettling when, in my daily practice, I am constantly dealing with attempts at anticipating the future. My subjective experience of life is in any event also one of a pervasive tendency to present to myself what is going to happen next. By exploring the notions of *the time structure of the living present* (Mead, 1934; Shotter, 1994; Stacey, Griffin and Shaw, 2000; Stacey, 2001, Shaw, 2002 and Griffin, 2002) as well as *intention and intentionality* (Mead, 1934; Searle, 1983; Joas, 1996; Dalal, 1998; Stacey, 2003, 2006 and Griffin, 2002) I propose a shift in focus to understand that sensing of the future as important social material used by people to evoke, inspire and/or coerce human action from living moment to living moment.

In Project 4 my attention shifts to the idea of strategy-as-practice as taken up by Johnson, Melin and Whittington (2003), Samra-Fredericks (2003), Regnér (2003), Maitlis and Lawrence (2003) and others. They introduced the notion of *micro-strategizing* as part of a movement to escape the trappings of 'high abstraction, broad categories and lifeless concepts' (Johnson et al, 2003: 6) employed by *macro* strategy theorists and practitioners. Anticipating a corroborating view on the argument I developed in Projects 2 and 3, I engage with their work whilst reflecting on my experiences of the micro events evident during a particular episode at work. I argue that their work, though refreshing, remains steeped in rational and formative assumptions. After initially experiencing an ideological stalemate with the authors, I suggest a way 'to go on' (drawing on Wittgenstein, 1953) so that others would find what I am doing, intelligible.

In the Synopsis and Critical Appraisal I take another reflexive turn on my work done during the four projects. Drawing on Projects 2 and 4, I argue that the rational and formative approach to strategy favoured by mainstream theorists and overwhelmingly applied by strategy practitioners today carry the hallmark of a well-established ideology. I argue that *rationality*, *control* and *predictability* appear as unquestioned cult values (Mead, 1923) at the core of this ideology. The work of theorists like Stacey (2007), Johnson, Melin and Whittington (2003), Samra-Fredericks (2003), Regnér (2003), Maitlis and Lawrence (2003), Chia and Holt (2006) and Chia and MacKay (2007) pose refreshingly radical challenges to this orthodox approach to strategizing. I deepen my allegiance to Stacey's view of strategizing as a complex responsive process of relating, in which attention is shifted to '... how intention emerges in local interaction ... between people' (Stacey, 2007: 450). Yet, I take up the argument that, instead of simply 'thinking about what we already do' (Stacey, 2007: 270) we cannot but *act* differently. I note various shifts in my own practice, drawing on notions explored in Projects 3 and 4, e.g. intention and intentionality; the micro temporal structure of time and micro instances of significance. Finally, I engage with the practices of documenting strategies and plans and argue for their role and function as important social artifacts in the incomplete, emergent and transformative process of social organization.

METHODOLOGY¹

INTRODUCTION

Traditionally research has been conceived as the creation of true, objective knowledge, following a scientific method.

Alvesson & Sköldbberg, 2000: 1.

Quantitative Research has its roots in the natural sciences and aims to discover generalizable laws aimed at prediction and control as determined from an external, objective position. Criticism against this approach to research, specifically as a research methodology in the social sciences, gained momentum during the 1960's, leading to the development of a Qualitative approach to research. Although no single definition for Qualitative Research exists, authors (Lofland & Lofland, 1984; Berg, 1989; Adler & Adler, 1987 and Myers, 1997), attempting to define the approach, regularly refer to the method of data collection and analysis that focuses on the *qualitative* essence of the subject (e.g. the meaning, the context or the image of reality held by people). Those authors will also acknowledge the subjective involvement of the researcher in the research as the researcher attempts to interpret, explain and understand the particular social and institutional context of the related incident or episode. The approach to research followed by participants in the Doctorate in Management Programme can be located broadly in the field of Qualitative Research.

REFLECTING ON MY EXPERIENCE OF METHODOLOGY

In embarking on the Doctorate in Management Programme, I understood the approach to research to be a process of iterative conversations with various agents (e.g. the learning set members, my supervisor/s, other members of the programme and ultimately the evolving text itself) around narrative episodes from my own ordinary, everyday experience. In narrating

¹ In opting to start this thesis with a reflection on my epistemological and methodological approach to research, I hope to save the reader any initial confusion about the nature and logic of the projects that follow. By positioning this section upfront, I am not suggesting that I started this thesis with a clearly defined and understood approach to research. As with the projects to follow, this section on methodology and the positions I arrived at was (in and of itself) a reflexive process that was shaped over the full course of writing the thesis.

my experiences of the activities of people (including my own) at a local level, I would formulate a research question aimed at interrogating an intriguing but obscured observation in the narrative. Through an iterative process of writing, reading and conversing around the question and my emerging hypotheses, I will eventually arrive at an argument that would postulate a sustainable argument. This process would imply an unashamedly subjective account of proceedings, precisely because it is in taking my own experience seriously that I should find the strength of my argument.

Central to the research method proposed by Stacey and Griffin (2005), is the *reflexivity* required of the researcher as I narrate an episode in which both the way I am thinking as well as the specific traditions of thought in which my way of thinking is located, are made explicit. Through iterative reflections on the meaning of the narrative, I will experience movement in my thinking as I develop the skill to '[pay] attention to the complexity of the local, micro interactions [I am] engaged in because it is in these that wider organizational patterns emerge.' (Stacey & Griffin 2005: 24). The authors suggest that through this approach to research, the researcher/practitioner engages iteratively with questions pertaining to and therefore potentially transformative of identity (Stacey et al, 2005).

In his comments after reading my first draft of my first project, my supervisor responded as follows:

What is required now is critical reflection: How do I come to think about the world and my professional life in the way that I do? The hope is that through the inquiry, you will discover something about yourself and your journey that you did not know before.

I would say that you need to make yourself more central in your narrative. What I mean is that the centre of gravity of the narrative should primarily (but not exclusively) be your person – *your* experiences of things and events.

Feedback comments from Dr. Farhad Dalal, February 2005.

At first glance, these directives appeared sufficiently clear to follow. In practice, the suggested approach turned out to be extremely difficult. My struggle is accurately pinpointed by the comments made by my supervisor, namely, firstly to critically reflect deeper on assumptions and/or conclusions that I would have considered to be either unproblematic or already dealt with sufficiently and secondly, to move the focus of my inquiry from interpreting the experiences of other people to interpreting my own experiences.

Thus, my initial drafts would reflect assumptions which I left largely unchallenged. As an illustration, in the initial drafts of Project 2, I came to an early conclusion that strategy could be understood as people's concern with 'foresight' and 'intentions' – concepts that I did not take up in any meaningful way. Through numerous challenges from learning set and faculty members the problematic nature of 'intentions' eventually proved to be significant enough to warrant a substantial inquiry in Project 3. In this way I can today reflect on my growing mindfulness of how problematic generally accepted concepts might be if interrogated critically, e.g. cause-and-effect; intentions, mind, society and time.

The second issue was proving to be even more challenging and for two related reasons: One, I would on numerous occasions pose conclusions on my observations of people's experience without owning my subjectivity. In other words, I would draw conclusions on what people were intending as if they were fact and not merely my opinion. Two, I had great difficulty to acknowledge my own experience – e.g. my own contribution, my own approach – in the narratives. In keeping with my clinical training and systems thinking background I was struggling to not see myself as the objective observer/facilitator, looking on and commenting as others engage in the ordinary activities of organizational life. In reflecting on the intensity with which a number of the protagonists featuring in the different narratives seem to pursue their convictions I could not find a reciprocal intensity with which I would relate my own convictions. Through the process of research (inclusive of the iterative conversations with learning set members, members of faculty and other participants on the programme) I came to acknowledge that I have become *numb to my own experience*. My reaction to this acknowledgement was one of being startled and feeling deeply impeded at the same time. Startled, because I have always thought of myself as reflective and serious about my practice;

impeded, because, rather abruptly, I recognized the protracted emergence of this pattern emanating from almost twenty years of committed application in a specific tradition of thinking. I consider this realization as perhaps the single most important factor that contributed to a shift, not only in my practice but in how I think about myself, i.e. my identity. This shift became evident during the course of Projects 3 and 4 and culminated in an important argument I proposed in my final synopsis – the shift in identity from rational, formative strategist to that of an absorbed participant.

LOCATING THIS APPROACH IN EPISTEMOLOGICAL AND METHODOLOGICAL TERMS

How would one then locate this approach to research amongst the various traditions and methods referred to in the literature? As a general critique leveled against traditional approaches to research, Stacey and Griffin (2005) argue that those approaches ‘largely preserve something of the stance of the objective observer’ (Stacey & Griffin, 2005: 2) whilst also viewing the object of research as a system. In the next section I aim to reflect briefly on some of the philosophical and methodological traditions in research to reflexively locate my approach in this field of approaches.

Epistemology

To approach the vast domain of literature on research, I will, by drawing on Myers (1997), propose a brief overview of some of the key epistemologies (the philosophical assumptions about the nature and possibility of knowledge) and associated methods evident in the various approaches to research. As a departure point, Myers (1997) suggests three categories of research, based on their underlying epistemologies, namely positivist, interpretive and critical.

Positivist Research

Emanating from positivist philosophy as forwarded by, amongst others, Auguste Comte (1798 – 1857), positivist theory holds that all knowledge is ultimately based on sense-experience. Accordingly, all genuine inquiry is concerned with the description and explanation of empirical facts, that is, facts, statements, beliefs and/or theories that originate in, are derived from or can be confirmed by *sensory observation* (Mautner, 1996). Some

qualitative approaches to research still adhere to the positivist requirements of data-rich, empirical techniques and procedures. Specifically, *grounded theory* is positioned as an inductive methodology aimed at the discovery of theory through a continuous interplay between data collection and analysis (Myers, 1997). The inductive approach is specific in that researchers will first focus deeply and with much empathy on the data in single cases (rather than a nomothetic analysis of many) and then turn to comparative studies with several other cases (Alvesson & Sköldbberg, 2000).

Interpretive Research

The philosophical foundations of *interpretive* research are hermeneutics and phenomenology. Mautner (1996) defines *hermeneutics* as a theory of interpretation of all bearers of meaning, e.g. texts, human action, culture and society in an attempt to understand. By approaching research from a hermeneutic stance, researchers enter into a penetrating dialogue with the text: attending to, listening to and questioning the text rather than analytically breaking it apart as would be the case in grounded theory. This dialogue will continue until the researcher finds him-/herself at the 'edge of something that at worst can be described as arbitrariness or wilfulness, but at best succeeds in bringing forth the underlying yet hidden problematic of the text' (Alvesson et al, 2000: 87).

Earlier references to *phenomenology* can be found in the work of philosophers like Hegel (1770 – 1831) and Brentano (1838 – 1917). However, in the twentieth century the term is used almost exclusively to refer to the work of Edmund Husserl (1859 – 1938) and his attempt to describe our experience directly, independent of its origins, development or historical causalities. To overcome the preconceptions of science and common sense, he applied different kinds of reduction in an attempt to simply describe the contents of consciousness (Mautner, 1996). His ideas were subsequently taken up by philosophers such as Merleau-Ponty (Merleau-Ponty, 1945).

Thus, researchers that approach their work from an interpretive stance, attempt to understand phenomena through the careful interpretation of the meaning that people assign to those phenomena by means of social constructions such as language and shared meanings. The

contribution of this tradition to the Complex Responsive Processes of Relating approach should be clear although Stacey and Griffin (2005) are at pains to point out that the notion of the autonomous individual is prevalent in the work of those philosophers.

Critical Research

With their philosophical roots in the Critical Theory of Adorno (1903 – 1969) and Horkheimer (1895 – 1973) and the subsequent Critical Social Theory of Habermas (1929 –), *critical researchers* assume that a rational form of social existence is a task yet to be achieved in the quest for human emancipation. Central to this task is the identification and suspension of all oppressive and exploitative power relations, resulting in a society based on human freedom and responsibility through unconstrained consensus (Mautner, 1996). Habermas' notion of *communicative rationality* is central to this approach to research, i.e. the reflective experience of unifying, unconstrained, argumentative speech/dialogue, resulting in statements which are intelligible, honest and sincere, true or correct and in accord with the prevailing norms (Alvesson et al, 2000). Habermas' insistence on consensus and understanding to be inherent to communicative action has attracted criticism from specifically post-modernists like Lyotard (1924 – 1998) in that this position negates the value of dissensus and conflict (Alvesson et al, 2000).

As the critical theorists introduce the notion of radical social change and human emancipation from exploitative power relations I am reminded of the emancipatory concerns of the exponents of Action Research, specifically in the work of Peter Reason as commented on by Stacey and Griffin (2005). References to human emancipation and equitable relationships are quite evident in their proposed ideology (Stacey et al, 2005) and they are committed to, through Action Research, contribute to the well-being of people and their communities.

Discussion

My term as a student on the Doctorate in Management program provided me with the luxury of a prolonged period during which I could actively ponder and mull over how it is to begin to practice from a very different perspective. This perspective appeared to arise from a social assimilation of the thoughts and ideas of various authors that I would now consider to

represent a personalized ‘tradition of thinking’. This ‘personalized tradition’, however fluid and full of potential contradictions it may appear, includes the names of authors and ‘thinkers’ that I have come to recognize with a gratifying sense of affirmation, as if, in taking up their work, I sense the possibility of the confirmation or transformation of meaning I take from things. This line of authors and philosophers extends from the likes of Brentano, Husserl and Hegel to Merleau-Ponty, Dewey and Joas; from Mead and Elias to Burkitt, Dalal and Gergen; from Vygotsky to Bourdieu and Shotter; from Mintzberg, Pettigrew and Johnson to Stacey, Griffin, Shaw, Chia, Holt and MacKay. It is then from my evolving understanding of the respective contributions from this rather messy mix of thinkers and practitioners that I am also considering my approach to research. Thus, I cannot claim to be in any way consciously and actively subscribing to any of the epistemological positions referred to above, nor that, due to my very recent exposure to these traditions, I am now adhering to one type of epistemology rather than to another. What I can claim, however, is that, by way of the unique and complex responsive processes of relating that constitute my experience and life, I have come to resonate with and consequently assimilated more of some of the epistemological approaches to research than with other.

I certainly am not enthusiastically *positivist* – my skepticism to positivist, data-orientated research stems from the multiple assumptions that usually accompany the categorization and subsequent analysis of social phenomena, but are rarely acknowledged or sufficiently interrogated. In this way, positivist researchers often appear to me to be arbitrarily, wilfully and/or naïvely obscuring the trade-offs they are forced to make in order to adhere to the principles of nomothetic generalizations. Emanating from this tradition though is the more problematic issue of researchers in the social sciences assuming that any piece of credible research should axiomatically conclude with the law-like generalizations that are traditionally associated with the natural sciences. As MacIntyre (1981) points out, despite the best efforts of the social sciences, ‘... the salient fact about those sciences is the absence of the discovery of any law-like generalizations whatsoever’ (ibid: 88).

The *hermeneutic* approach to research does reflect more closely my experience of the past three years. From the start of the program, I found the grasping for the possible hidden

message, albeit potentially ‘arbitrary and wilful’, of the hermeneutic interpretation so much more alluring than the methodical analysis of empirical data. Key to the way in which I ultimately found myself questioning and attending to the respective narratives, was the way in which both learning set members, supervisors and fellow students prompted me to inquire more closely to incidences and assumptions that otherwise might have escaped superficial scrutiny. A telling example of those instances is the insight that I was ‘numb to my own experience’. Pursuing this insight led me to the shift in my practice that I described as the rational, formative strategist becoming an absorbed practitioner. The arguments posed by the exponents of *phenomenology* and their call to describe our experience directly remained a constant alert in recognizing the ‘de-humanized’ way in which we have come to think about human activities and institutions.

Turning to *critical* epistemology, I recall instances since my early youth where I reacted strongly against inequalities amongst people. Equally, I was attracted to theories and processes promising liberating possibilities for people from inter- and intrapersonal constraints, hence my interest and subsequent studies in psychology. Do I now aim to, in accordance with critical research, contribute in some way to the emancipation of (organizational or managerial) communities? Perhaps I do. Perhaps, in my approach to research I am attempting to contribute to my own emancipation from positivist management and strategy theories. I have also come to recognize and challenge my deep held belief in the value of unconstrained dialogue and consensus. The confrontational nature of supervisory comments and the prolonged, continuing dissensus that seemed to prevail in some episodes during the process of research has however alerted me to the possibility of a different, open-ended form of emergent dialectic.

Finally, as a congruent reflection on the dominant epistemology prevalent in my work today and at the risk of sounding parochial, I have to acknowledge the profound influence of thinkers like Stacey (2001, 2007), Griffin (2002), Shaw (2002) and Dalal (1998) as well as the work of seminal thinkers like George Herbert Mead (1934) and Norbert Elias (1939) on the way I am currently making sense of my approach to research. Based on their work I recognize in my approach an attempt to respond coherently to the principles espoused in the

theory and method of complex responsive processes of relating (Stacey & Griffin, 2005). Accordingly, it is also *in the act of research* that I experience (reflexively) mind arising in social interaction; individual and social paradoxically forming and being formed by each other at the same time and finally, the idealization of the paradoxical nature of human interaction – cooperation and conflict, difference and similarity – and the particularization of that idealization in the ordinary, local interactions between people.

Methodology

Whilst being informed by these epistemologies, the research method adopted by the researcher can vary. Accordingly, a researcher that approaches his/her work as a form of case study research may do so from a positivist, interpretive or critical point of view. In a series of articles reflected in Project 4, Johnson, Melin and Whittington (2003) and their co-researchers focused their attention on the issue of micro-strategy and strategizing. In exploring the ‘detailed processes and practices which constitute the day-to-day activities of organization life *and* which relate to strategic outcomes’ (Johnson et al, 2003: 14), the contributors utilized various qualitative methods, amongst others case study research, ethnography and action research. As frequently used methods in the course of qualitative research endeavours and because of the interest I have in a social perspective on strategizing, I will briefly reflect on how these researchers went about their respective projects as examples of these three methods.

Case Study Research

According to Myers (1997), case study research is an empirical inquiry that investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident. In a longitudinal case study of the strategizing activities of members of an orchestra, Maitlis and Lawrence (2003) were particularly concerned with the way in which organizational politics and discourse may lead to a breakdown in strategic processes. The researchers collected data by directly observing meetings, interviewing orchestra members as well as conducting extensive documentary analysis. The researchers then analyzed the data during three phases: one, the development of a story that chronicled the process; two, the analysis of the story during which they attempted

to identify possible reasons for the failure of the strategy process and lastly, a highly iterative process of working back and forth between the data and the emerging patterns in order to arrive at a conceptual framework as the conclusion of the research. In a reflexive turn, not observed in the work of the other contributors to this series of publications, the researchers acknowledged their theoretical biases as it pertained to, amongst others, strategy, power and discourse.

Ethnography

Myers (1997) locates the origin of ethnographic research in the discipline of social and cultural anthropology. In this field, researchers immerse themselves in the lives of the people and communities that they are studying and so spend significant amounts of time in the field. Through extensive and detailed note-taking, often in the role of a silent, invisible observer, the ethnographer will, through interpretation of his/her data attempt to infer cultural meaning from these observations. In her study of a number of strategists going about their interactive routines, Samra-Fredericks (2003) combined an ethnographic approach with that of an ethnomethodological/conversation analysis approach. (The latter would imply a recording of 'talk-in-interaction' to be meticulously recorded in transcripts down to the 'uhm's' and 'ah's' for purposes of 'fine-grained' analysis). She focuses her research on the linguistic skills and forms of knowledge of the respective strategists she observed in their 'naturally occurring talk-based interaction' (Samra-Fredericks, 2003: 145).

Action Research

Action researchers have two concurrent aims: firstly, to, through the collaborative act of research, contribute to the practical concerns of people (usually those collaboratively involved in the research itself) and secondly, to enlarge the stock of knowledge amongst the community of social scientists (Myers, 1997). Balogun, Huff and Johnson (2003) utilized three approaches to work with organizational members as research partners in gathering data. These approaches were *interactive discussion groups* (dialogue-based group level data gathering, ranging from group interviews to highly experiential encounter groups), *self-reports* (e.g. structured questionnaires and unstructured diaries) and *practitioner-led research* (in which researchers invite practitioners to research their own practices). The researchers would then engage their organizational collaborators to collect and interpret the various types

of data. By following these approaches, researchers gain access to the formal and informal micro instances of organizational life as well as the practitioners' understanding of their own working practices. The researcher's commitment to collaboration and involvement with the organizational members introduces a very different approach to the nature of data, data collection and data interpretation than is the case in both traditional ethnography and case study research.

Reflexive Methodology

The authors referred to in the paragraphs above arrived at interesting and potentially valuable insights on the micro-activities of people in the act of strategizing. Also, by introducing novel approaches to the field of strategic research, they contribute to a movement in the debate on strategy that builds on the earlier work of authors like Mintzberg (1994) and Pettigrew (1973) arguing for the recognition of the social and political dimensions of strategizing.

The key difference in approach between these authors and the approach I used over the past three years points to a difference in vantage point. In commenting on what they understand to be 'reflexive methodology', Alvesson and Sköldböck (2000) identify two basic characteristics, namely interpretation and reflection. With 'reflection' they mean that the researcher 'turns the attention inwards' (Alvesson et al, 2000: 5) to the researcher him-/herself, the researcher community, even society in general. Stacey and Griffin (2005) view knowledge as emerging and evolving 'in a history of social interaction' (ibid: 10).

Accordingly, a reflexive approach to research then implies to them a methodology that is essentially emergent and exploratory while the researcher first reflect on his/her life history and then, secondly, engages a broader social reflection in critically locating his/her way of making sense in the wider traditions of thought. The extreme sense in which I have applied this reflexive approach (in other words the inward turning of attention) during the course of the four projects and synopsis stands in sharp contrast to the vantage point of objective observer implied by the respective researchers in the paragraphs above. In none of those accounts did the researchers acknowledge their own presence and potential influence on or their being potentially influenced by the observed parties or events. Although they do attend to micro events and in one instance (Maitlis & Lawrence, 2003) acknowledge the effect of

their own interests on their observations, they consistently portray these events as the empirically observed behaviour of other parties. In other words, by not turning their attention to themselves, they never get to acknowledge and explore the potential transformation or continuation of their own identity through the process of research.

CONCLUSION

Epistemologically, I would then locate my approach to research in the principles espoused by the *hermeneutic* and *phenomenological* traditions. Concurrent with that position, I will add the *sociological* perspectives offered by Mead (1934) and Elias ([1939] 2000), subsequently integrated and expanded upon by Stacey, Griffin and Shaw (2000) as well as Stacey (2001) with analogies from the complexity sciences in proposing the radically social and emergent perspective known as *complex responsive processes of relating*.

Methodologically, I have experienced the process of *reflexive* research (as espoused by both Alvesson and Sköldbberg [2000] as well as Stacey and Griffin [2005]) as immensely enriching. I cannot but recognize the extent to which my approach to my practice has changed during this process of interpretation and reflection.

Finally, I will consider the extent to which my work can be considered generalizable, valid and reliable. As to the generalizability of the work, I am reminded of Macintyre's (1981) opinion that law-like generalizations are probably misplaced in the social sciences. Drawing on Machiavelli, Macintyre (1981) holds the belief that '...given the best possible stock of generalizations, we may on the day be defeated by an unpredicted and unpredictable counter-example' (ibid: 93). Along a similar line Stacey invites us to recognize 'the uniqueness and non-repeatability of experience' (Stacey, 2003: 415). So if, as social scientists we subscribe to the unpredictability of human and social affairs and that no social process can ultimately be replicated, then at best, researchers in the social sciences may strive to pose findings with *probabilistic* qualities. Would then the fact that a subjectively selected narrative sit at the heart of my findings make them less probable to be of interest to other people? To this I will answer that with the narrative I aim to represent the ordinary, local, emergent experiences of my life. I am specifically not trying to present the narrative as a grand script within a globally important setting. In this way the focus on an ordinary narrative affirms the importance of

ordinary, local, emergent human action in the living present. Would my subjective assumptions and speculations about what the narrative might point to make it less probabilistic? In my view the iterative inquiring and critiquing of the learning set and supervisors provide a substantial test for the plausibility of the arguments that I forwarded. Would it be possible that the conclusions I arrive at can be of value to practitioners working in the field of business strategy? I would expect that such an assessment will be influenced more by the quality and originality of my insights than by my approach to research.

In the tradition of research it is usual to inquire to what extent one can consider the research to be *valid* and *reliable*. I consider research to be a social process, where, through the continual gesturing and responding between parties, we are also responding *morally* to each other and by implication to the work. Accordingly, I am challenged (in the joint act of iterative interpreting and reflecting with members of my learning set and supervisors) to make explicit again and again the assumptions underpinning my observations and arguments in the narrative and the reflections on the narrative. But it is not only in the direct interactions with those parties that I find myself continually evaluating the validity and truthfulness of the research; it is also in the act of narrating and interpreting that I am silently and continually negotiating with the generalized other (e.g. my colleagues featuring in the narrative or a known and unknown community of strategists) my account and conclusions that should also hold 'true for us' (Stacey et al, 2005). Therefore, as opposed to the attempts by the authors cited above to prove the validity and reliability of their findings by arguing the empirical status of their approach and conclusions, I have to rely on the recognizable moral integrity of the interpretation and reflection on the narrative. Accordingly, factors that may adversely affect the integrity of my work will be a parochial reflection of the events portrayed in the narrative, a too narrow theoretical interrogation of my argument and leaving problematic assumptions unexplored. It is in this respect that the recurring questioning and critiquing by my learning set members and supervisors proved to be indispensable.

PROJECT 1: THINKING THE WAY I DO

FINDING MY VOICE

I was born into an Afrikaner community, a people that ultimately came to personify the worst of racist ideologies – apartheid. These doctrines spilled over me from babyhood, leaving me quite oblivious to the hardships endured by the majority of the people sharing our country. At that time, to me, differentiation on the basis of race was not only useful, it was ordained by God.

The Afrikaner culture was one characterized by a number of deep seated contradictions. Cornelius de Kiewiet, a noted historian, described the early Afrikaner thus: ‘Their tenacity could degenerate into obstinacy, their power of endurance into resistance to innovation, and their self-respect into suspicion of the foreigner and contempt for their inferiors.’ (Quoted in Giliomee, 2003, p. 34, 35)

Manifestations of these traits were prevalent all around me: family, school, and in particular my military training immediately after school. My own response to these influences was one of acceptance rather than resistance. I accepted unquestioningly the positions expressed by figures of authority. Specifically, the threat that a black, communist regime might pose to a white, Christian South Africa, was not negotiable. Fear of rejection silenced the inconsistencies I started to notice between the seemingly loving philosophy of the Christian religion and the harsh and brutal treatment of fellow humans.

As my tertiary development took shape, jarring challenges stirred these old discomforts. Student friends seemed to have opted differently than I did, choosing to speak out and challenge what they deemed to be wrong. In time, my own challenge became clearer, namely to systematically come to see and understand the confines of long held assumptions. This challenge would hold for all the socialized assumptions I’ve adopted over time, from religious, racial, social, psychological, organizational and other and would become one of the primary features people (my family, friends and colleagues) would

associate with me – a persistent questioning of the prevailing order by finding, assimilating and then introducing novel and seemingly more informed perspectives and frameworks.

I was, at the time, enrolled as a student of religion, destined to become a minister of religion in the Dutch Reformed Church. Through my pre-graduate studies in psychology, I was waking up to alternative views on the world, views that challenged most of my deepest assumptions about life. These psychological theories started to rip apart my sheltered world view of human behavior as either holy or sinful. Looking back on those early forming years before university, I have difficulty recalling any significant influence other than religion that shaped the way I thought about the world. People reacted either from a position of wanting to serve and please the Christian God or were willfully or involuntarily succumbing to temptations generated by the devil. As a result, Pavlov's theory on conditioned reflexes and the role environmental factors play on the formation of personality were dramatic interventions on my naïve view of life. Thus, previous religious experiences were suddenly demystified and explained via physiological and psychological constructs, leaving me extremely doubtful about the experiences and motives that led me to embark on a career in religion.

My final examinations during my third year proved to be the final straw. I remember working through the texts on personality development as if it was an intriguing novel. I felt the intensity with which the theory resonated with my own experience of life, albeit from a completely new perspective, and one that was at odds with my religious world view. My decision to stop my theological studies was my first real test of conviction. The relational implications of what I was doing were perhaps best reflected by my mother's reaction on hearing my intentions to stop my theological studies. She broke down crying and has to this day failed to understand what motivated me from turning my back on 'God's calling.' As in so many other instances, this reaction represented a primary family pattern that to this day continues to influence me in the way I engage or disengage from challenging moments. Suffice it to say that, deciding not to continue with my theological studies represented a radical break from my hitherto unchallenging nature. In doing this, I was questioning a core

set of Afrikaner beliefs and embarking on the beginning of a long trek to finding my own voice.

SEEING DIFFERENTLY

I left the student town of Stellenbosch rather abruptly and spent the next three years in television production. I remember feeling slightly overwhelmed by all the options the world suddenly seemed to offer. From all these options, I intended to qualify myself in a profession that would make me more money than any preaching job could ever achieve. As a result I tried my hand at studying first accounting and as a second attempt, law. Neither of those options worked for me. All along, I shied away from furthering my studies in psychology despite my passionate encounter with the subject during my pre-graduate years. I was convinced that psychologists all eventually turn out to be weird and deranged, mostly because psychiatric hospitals seemed to be the dominant, if not only, career choice. It took me another year to gain fresh and balanced views on what a career as a psychologist might entail. Relieved, I gave up on the money making idea and, in 1985, went back to Stellenbosch to complete an Honors degree in psychology followed by a Masters Program in Clinical Psychology.

In many ways, the Rand Afrikaans University's (RAU) Masters Program in Clinical Psychology (1986 to 1987) introduced me to new and exciting ways of understanding human behavior, reinforced by the sense of relief and widening of scope I was experiencing since pulling out of theology. We were a small group of seven students, being challenged by a faculty of very different lecturers to what we were used to. Firstly, experience and 'objective' observation seemed to take precedent over theory, or so it seemed at first. Secondly, change seemed to be a very elusive phenomenon, brought about much sooner in unexpected, non-linear ways than in following some prescriptive, linear recipe. Thirdly, the notion of all things being inter-connected and causality to be a multi-directional phenomenon suddenly provided us with powerful new lenses to understand why things happened the way they do.

The theoretical foundation of the program comprised works of authors tackling the traditional psychiatric disorders from a very different perspective. Practitioners and authors

like Paul Watzlawick, John Weakland and Richard Fisch (1974), Mara Palazzoli, Luigi Boscolo, Gianfranco Cecchin and Giuliana Prat (1978), Jay Haley (1976) as well as Bradford Keeney (1983, 1991) introduced me to perspectives on clinical conditions that were certainly more novel, exciting and empowering than anything I expected when I initially applied for the program. Up to and including my Honors studies, the psychological theories reflected a very traditional, medically inspired view of human behavior. Symptoms were treated as intra-personal and the most powerful interventions were derived from the rather mechanistically inspired realm of Behavior Therapy. Unable to articulate my skepticism at the time, I felt quite disheartened at the prospect of spending my life designing Pavlovian type interventions for people trying to eat less, control their anger or stop wetting their beds. Now, through the thinking of these authors, things suddenly took an unexpected turn for the better.

In his foreword to Watzlawick, Weakland and Fisch's book, *Change, principles of problem formation and problem resolution* (1974), another great mind, Milton Erikson, reflects on how the authors' work coincides with his own work of '...expediting the currents of change already seething within the person and the family – but currents that need the “unexpected,” the “illogical,” and the “sudden” move to lead them to fruition.'

(Watzlawick, Weakland and Fisch, 1974:ix) The primary shift that these authors, together with their close associate, Jay Haley (1976), brought about was the notion that it is possible to describe classic psychiatric symptoms (like schizophrenia) as communicative acts which have a function within an interpersonal network. Not only did this move the focus of therapy to a broader audience (from the identified patient to the family or important others), but also immediately introduced the therapist as an active and reciprocal role-player within the client's network. This opened up a new perspective on what was possible in the psychotherapeutic situation.

The authors (Watzlawick et al, 1974) positioned their view of therapy as an attempt to bring about second order change. Aiming to explain the notion of second order change, or '... change of change ...' (ibid: 11), they developed a complementary view of the Theory of Logical Types and (mathematical) Group Theory as the basis of their theory. According

to this view, Group Theory provided us with a framework to understand changes that occur within a system without the system itself changing, e.g. the different options one exercises *in* a nightmare to escape the prevalent danger, like running away, hiding and so forth. The Theory of Logical Types on the other hand, suggested a framework to think, not about what goes on inside a logical class (like the nightmare), but rather about the shifts in relationship that occur between a member and its class when the member moves from one logical level to the next higher, e.g. *waking up from* the nightmare constitutes a shift to an entirely different state or logical level. Change then can be understood as either manifesting as First Order Change (changing within a certain class) or Second Order Change (changing from one class to the next higher class). Based on this departure point, the authors then introduced a number of perspectives on *problem formation*, e.g. when the solution becomes the problem, when people see no problem when there clearly is one and when people see solutions where there clearly is none. Leading on from those perspectives, the authors then introduced a number of approaches to *problem resolution* that would aim to bring about Second Order Change. Typically, those interventions may appear to be ‘...weird, unexpected and uncommonsensical ...’ (ibid: 83), especially if the observer of the interventions attaches value to first understanding a problem before being able to arrive at a solution. The authors allied themselves with the likes of Wittgenstein (1953) in taking a strong stand against explanations and their limitations. This approach stood in stark contrast with the more rationalist approach of the traditional behaviorists or intra-personal disciplines.

Similarly controversial was the work done by the Milan-based team of Mara Palazzoli and her colleagues (1978) with young patients diagnosed as schizophrenic. Instead of approaching the disorder as intrinsic to the patient, Palazzoli’s team would view the patient as part of a family with well-established patterns of interaction. Usually, the identified patient’s symptoms would be of strong metaphorical importance to the dilemma the family is trying to deal with. By deploying elegant counter-paradoxes to the double-binds imposed by the family on itself, sudden changes in the family towards more constructive patterns of interaction would emerge. The team was soon able to repeat their successes on a regular basis.

Engaging with the work of family therapy theorists like Salvador Minuchin (1974), my emerging theory of psychotherapy also started to touch on approaches put forward by systemic therapists like Bradford Keeney (1983, 1991). Keeney was, in my view, a true anarchist, pushing the boundaries around classical psychotherapy further and further back. Illustrative of his radical approach to therapy, was the Zen Diet Koans he introduced as a counter to the ‘... common sense attitude of using willpower ...’ (Keeney, 1991: 3) to combat problematic eating habits. Through these koans, he attempted to combine three bodies of knowledge: Japanese management orientations (which accentuated ambiguity, riddles and absurdity), cybernetics and systemic therapy, aimed at changing the context of one’s action. The koans built on the principle of focusing on what is going on rather than trying to understand why something is going on and therefore introduce immediate, radical action. The next therapeutic move should be determined only after reflection on the outcome of the previous move. Examples of these koans are:

Take a friend to lunch. Order something you hate to eat, but pretend you’re excited to order it. When it arrives, do not eat it at all. Explain that you decided you didn’t want it. Give no further explanation.

Keeney, 1991: 7.

Prior to a meal, fill a small bowl with warm water. Place it next to your plate and place your smallest finger in it. Now eat with your other hand. Try to focus on the temperature of the water. Notice when it is no longer warm.

(Keeney, 1991: 9)

I cannot overemphasize the importance and relevance that these perspectives on human behavior had on my life and practice. As novel vantage points, the theories presented me with a radically different and to me more appropriate view on human behavior (i.e. my first non-religious philosophical framework on why and how change happens). I started to develop a systemic view on human behavior and life in general. What all the authors mentioned above had in common was a shift away from *understanding* intra-personal dynamics to *changing* the interactional patterns between people. Criticism leveled against these authors accused them of a fascination with technique and formulas while their

insistence on describing individuals only in terms of systems were seen as insensitive towards the inner world of the patient's feelings (Joubert, 1987).

As one of the recent proponents of the emerging systemic approaches to psychotherapy during my Masters studies, Bradford Keeney's (1983) postulation of an eco-systemic epistemology encapsulated much of my then held beliefs about life and human behavior. Keeney (1983) defines 'epistemology' as the science that reflects on the rules that regulate cognition. It attempts to specify how organisms know, think and decide. Epistemology refers also to both *how* we know, think and decide as well as *what* we know, think and decide. The **systemic** foundation of his theory stemmed from Cybernetic Systems Theory from which he concluded that living systems self-regulate their behavior through primarily negative feedback. At the same time, he argues for an **eco**-systemic view on human systems, implying that health in a system will be represented by a vital balance of diverse forms of experience and behavior. This position implies that a healthy, integrated individual will not necessarily be free of (pathological) symptoms, because health and pathology represents two parts of a cybernetic complementarity. Rather, Keeney challenges therapists to look for patterns and sequences of interaction between members of a system as a search for the **aesthetics** of the system rather than the pathology of the system.

The converging theories presented by these authors in combination with the day-to-day application opportunities via the Masters program convinced me of the power of this '... new epistemology ... [opening] ... new horizons, both theoretical and practical' (Palazzoli et al, 1978: 8). (Admittedly, my Masters studies veered away from classical psychoanalysis, because the 'new epistemology' clearly favored the view that symptoms are communicative acts within specific social/inter-relational settings that should be the focus of therapeutic interventions, rather than the more traditional intra-personal view.) Personally, I considered the acknowledgement of the impact of the social context on 'psychiatric disorders' as particularly valid and useful. Once I started to look at the social context and circular causalities at play in patient behavior, the patterns and their (aesthetic) functions within the broader 'system' became blatantly obvious. Also, the novel approaches to change advocated by these authors (illogical, paradoxical,

uncommonsensical and unexpected) complimented my instinctive distrust in the rational approaches to behavioral change. These new approaches introduced opportunities for sudden shifts in behavioral patterns, often without the need for psychiatric medication. Today, I consider the shift in approach towards change in human behavior that these theorists brought about as extremely important in moving the philosophical debate in psychology along from rational, linear modernism to more of a socially constructed post-modernistic view. Also, the possibility of novelty arising unexpectedly and without the expectation of a pre-meditated outcome became an acceptable approach to think about change, reflecting notions of current theories on complexity and emergence. Stacey (2003) criticizes all forms of systems thinking as requiring a constant re-drawing of the system's boundary by something presumably outside the system. According to Stacey (2003) this tactic leaves system practitioners with no other causal explanation than a mystical one.. In my practice I rarely experienced this constraint to be an inhibiting factor, primarily because the extent of boundary re-drawing rarely extended to the level of mysticism. Also, I never, despite my break with formal religion, excluded a mystical, spiritual component from my view on causality. Accordingly, I firmly believed in the idea of the enfolded purposes of individuals and systems. So, Stacey's abrupt conclusion that 'Of course, an appeal to the mystical is not an explanation' (Stacey, 2003, p.169) would have come as quite a surprise to me. I consider the mystical a relevant experiential realm with significant qualitative effects on my own well-being.

So, while on the one hand I was busy probing and shaping my own understanding of human and social dynamics within a systemic, causally interconnected frame of reference, I was also starting to engage my friends and family on the implications and insights provided by this view of life.

I remember the frustration of, on the one hand, beginning to see fresh and novel causal connections between the way people behaved and their immediate environmental or relational contexts, but somehow, on the other hand, being unable to clearly and convincingly articulate those insights to often skeptical audiences. Nowhere was this truer than during my internship year, completed at a psychiatric hospital. My sensitivities to

circular causality brought me and my fellow students in constant conflict with the hospital's psychiatrists, who struggled to get to grips with our garbled attempts at showing how the psychiatric system might be partially responsible for patients' relapses or the perseverance of symptoms.

Dealing with the psychiatric 'system' became a real challenge. One incident in particular stands out as representing this personal challenge. I was assigned to a ward with male patients that presented with both acute as well as chronic psychiatric conditions. Amongst the heavily drugged patients, I happened to be drawn to a man diagnosed as schizophrenic. He presented specifically with endless versions of incoherent 'word salad', i.e. whilst appearing (through body posture and eye contact) to be genuinely intent on relating with you, his conversations were utter nonsense; a stringing together of reams and reams of unrelated words and concepts. Sitting next to him one day, I patiently waited out one of his bombardments. Then, as he paused for a breath, I let loose with my own version of similar gibberish that lasted the best part of five minutes – an approach deployed by Milton Erikson years before in a similar situation. The patient looked at me, first with complete disbelief, and then a smile started to appear. He reached out and shook my hand. Almost immediately the incoherence made way for much more constructive interaction. We were able to slowly build on this over the next few weeks and started to deal appropriately with what turned out to be very adverse personal conditions. I reflected the break-through and subsequent progress fully in the therapy journal as well as at the ward meetings held on a regular basis. I arrived one morning at the ward only to see, much to my surprise, this patient being shipped off to a long term hospital usually reserved for patients with really poor prognoses. The psychiatrist of the ward had, unilaterally, decided that, due to the diagnosis of schizophrenia and despite the progress made, the patient would be better off in a facility with no capacity for individual care. Despite my objections, the psychiatrist persisted with her decision and I watched helplessly while the patient got ferried off in an ambulance.

I often reflect back on this incident as representing a recurring theme in my life, namely situations where I do not agree with events yet choose not to engage powerful people on

those differences. I often feel unable to materially affect the situation. In the incident with the psychiatrist mentioned above, I felt that I would have to change the whole psychiatric ‘system’ and also did not trust myself to argue my case constructively with the psychiatrist involved. There seem to be two interdependent issues at play here – one, the despondency I feel when I bump up against ‘the system’ and two, my uncertainty to deal with situations involving potential conflict.

APPLYING A DIFFERENT VIEW

Early during my Masters program, I’d made up my mind that I would rather apply the clinical perspectives on human behavior and non-linear causality within the corporate sector than in a psychotherapeutic setting. My first job was with a bank where my most rewarding years were spent in the Organizational Development department. Two episodes that I regard as formative in terms of my current thinking are worth mentioning.

A Development Initiative

During the early nineties, I was instrumental in conceptualizing a development program that aimed to expose and prepare young, promising individuals for some of the demands of a ‘new economy’. The program focused on exploring how participants viewed the world while also increasing their interpersonal awareness. It alternated between specific inputs from an array of experts (including historians, physicists, ecologists, paleontologists, traditional African healers and difficult-to-categorize adventurers) and open-ended, facilitated, sense making sessions. While leading and facilitating the program, I experienced a strong shaping of my own emerging view on how things seem to work. Based on the work of authors such as Margaret Wheatley (1994), Jay A. Conger (1994), Arie De Geus (1997) and Robert W. Terry (1993), we gradually started to position a systemic view of the world as a preferred meta-theory to be socialized with the program’s participants. Consequently, participants were exposed to a series of work sessions aimed at taking a systems thinking view on an array of typical organizational challenges (e.g. problem solving, strategizing, organizational design and planning). The program is still running and is proving to be very popular. Through my involvement with the program, I seemed to have developed two vantage points on organizational change.

Firstly, I became committed to embed a systemic approach to organizational issues amongst leaders in the company. This resolve was strengthened by my observations that leaders appear to take extremely linear, simplistic views on complex issues and enforcing premature answers. From my perspective, more benefit could be gained from thorough, collective inquiries towards the nature of the problem or opportunity. I was intrigued by the apparent inherent truths that pervaded the writings of systems writers such as Russell Ackoff (1994) and Peter Senge (1995). Particularly, Ackoff's arguments against a linear, mechanistic or even organismic view of corporate life substantiated my perception of the flaws in the mechanistic way we were thinking about organizations. His application of social systems theory in his conceptualization of a democratic corporate (1994), provided me with the conceptual proof of the increased adaptability and sustainability of organizations adhering to social systemic principles. Also I strongly ascribed to a humanistic view of people and therefore felt comforted by the humanistic imperatives put forward by these authors. I barely entertained the thought that a social systemic view may be only one view of organizational life and was quite appalled when people questioned the validity and viability of this view. My exposure to the systems thinking work sessions also provided me with practical, graphic frameworks to explore circular causalities in organizational dilemmas – a capability that I applied with great enthusiasm.

Reflecting on those days now, I view my early adoption of theories and positions as uncritical and superficial. However, with virtually no critical challenges coming from management, I was free to apply whatever notions sounded fairly convincing and right. So, in the spirit of the Systems Thinking hype that was beginning to span the globe, as well as the constructive discussions we could facilitate in applying systemic frameworks, I viewed our efforts as admirable and beyond reproach. Still, even then, I was becoming aware of an ongoing but unexpressed disappointment with the level of abstraction that usually flowed from these systemic enquiries. It frustrated me that the many pragmatic breakthroughs that emerged during these discussions, soon got lost in the abstract and aggregated nature of the conclusions. For example, the generic conclusions emanating from a work session usually failed to reflect the specific and valuable ideas forwarded by individuals during the session.

Then, I looked on those frustrations as indicative of my own immaturity in applying the systemic concepts and frameworks, rather than looking for flaws in the philosophy itself.

Secondly, I was developing a strong view on the importance of *meaningful conversations* in organizations (if organizations were to evolve to increased levels of sustainability), conducted by participants with a growing sense of *self awareness*. Underpinning the notion of meaningful conversations was an array of theoretical influences. Amongst these the work of Margaret Wheatley (1994), Herman B. Maynard and Susan E. Mehrtens (1993) and Arie de Geus (1997) provided me with key concepts that informed my practice. From Wheatley (1994), I adopted three principles pivotal to the prospering of self organizing teams, namely the importance of a clear sense of identity and purpose, requisite diverse relationships and the free-flow of information. De Geus (1997), reflecting on his observations of organizations, abstracted four factors that to him define a company as a living system. These factors are, firstly, a company's ability to learn and adapt within the context of a changing environment; secondly, a company's ability to build a cohesive community and identity or persona; thirdly, a company's awareness of ecology – i.e. its ability to build constructive relationships within and outside itself – and lastly, a company's ability to govern its own growth and evolution effectively through conservative approaches in both the application of financial resources as well as the distribution of power. In the detailed exploration of these factors, De Geus highlights the importance of continuing conversations as a central means to achieve sustainability whilst working towards these four goals. Also, in Maynard and Mehrtens' (1993) exploration of a Fourth Wave of organizations, further credence was lend to the notion of highly participative, consensus seeking and purposeful organizations. These organizations will be led by individuals with a heightened sense of self and environmental awareness as well as the courage to '... recognize the fundamental dishonesty that pervades our lives and businesses ...' (Maynard & Mehrtens, 1993, p.161).

To me, a significant indication of the level of self awareness amongst people was the extent to which they were committed to live purposeful lives. My own affinity towards the idea of individuals living purposeful lives can probably be traced back to my personal convictions

around spirituality. At the time, an array of literature emerged around the topic of spirituality in the workplace (e.g. Bolman and Deal, 1995; Conger, et al, 1994). This strengthened my belief in the importance of congruence between what the organization and what the individual considered to be meaningful and significant. I pursued this ideal – to bring about personal and organizational congruence – with great conviction; developing a series of exploratory journeys with my colleagues that aimed at focusing individuals on their own sense of destiny and self discovery.

Through this work, I became intrigued by how consistently individuals seem to only reflect their own struggles and issues or latest discoveries and opinions in conversations that require ‘generic truths’. I saw these patterns as proof of individuals consistently working towards an often undefined personal and life-long task. As I started to listen to executives engaging in discussions in a wide range of contexts, these patterns seemed to grow more and more obvious. Subtly or blatantly, we seem to have difficulty moving beyond our own world. Regardless of our efforts to veil this subjectivity with all sorts of rational arguments, our own agendas sit mockingly exposed for all who care to look. For me, this observation remains largely valid although my understanding of the origin of this phenomenon may be shifting. Where I used to attribute the origin of personal agendas to a deeper quest for meaning and purpose, I am now exploring the ever-emergent social context as the primary, non-deterministic source of recurring patterns.

Bob Terry

I met Dr. Robert W. Terry during the course of 1996. As a leadership theorist, lecturer and opponent to racism, the theme of *authenticity*, ‘... to be true to ourselves and be true to the world ...’ (Terry, 1993, p.189), pervaded Terry’s work. His questions to me were often disturbing, revealing inconsistencies in me that I consciously or unconsciously refused to see. Most tellingly, his probing questions around issues of race exposed some of my unconscious assumptions around racial relations in South Africa.

He made his primary theoretical contribution in his book, *Authentic Leadership* (Terry, 1993), in which he poses a framework intended to expand leadership’s ability to frame issues correctly, that is answer the question: What is really going on? His framework,

referred to as ‘The Human Action Wheel of Leadership’ (Terry, 1993, p. 82), is a deceptively simple configuration of six categories of human action (Meaning; Mission; Power; Structure; Resource and Existence) and the implied relationships among them. The simplicity of the model belies the philosophical depth behind them, although it does assume a certain deterministic causality and sequence in the way people act and react in organizations. Still, by utilizing the framework as a base for inquiry, people are forced to step past the formal arguments for action and probe the less obvious and more awkward issues usually driving organizational decisions.

Terry introduced me to the Myers-Briggs Type Indicator (MBTI) as a useful tool to apply in situations where a greater sense of self awareness amongst team members was indicated. Whilst my clinical training made me shy away from such a static categorization of people, I found the Jungian perspectives on psychological types, as adapted by the mother and daughter team of Katherine Briggs and Isabel Briggs-Myers, disarmingly accurate (Pearman & Albritton, 1997). I used to position the respective types as some sort of psychological DNA, which would explain how people present from an early age with specific preferences that hardly seem to shift throughout their lives. This understanding also contributed to my view of individuals sticking to some form of life-long script, closely associated with an evolving sense of personal purpose or contribution. In my own practice, I found the MBTI useful to allow people to attain comfort around some of their own perceived ‘pitfalls’. The benevolent way in which Jung framed and normalized socially unpopular preferences (e.g. introversion as reflective, procrastination as open-minded and exploratory) stood in stark contrast with the way these trends are usually problematized. In my experience people perceive the MBTI usually as quite benevolent and an easy, risk-free way of engaging colleagues or partners on individual preferences and idiosyncrasies.

Now however, the MBTI leaves me with an unresolved dilemma, in that the underpinning theory suggests a deterministic view on human behavior with the individual paramount. In other words, if these are your preferences then you will in all probability, over time, regardless of changing contexts, consistently behave within the broad parameters of your preference type. My own experience seems to re-affirm this idea that people do present

with certain innate consistencies. Before the start of the Doctorate in Management program, I resolved this dilemma by viewing both the consistencies in people as well as their evolving, changing nature as, paradoxically, co-existing at the same time. Now this position seems to constrain the possibility for new and novel behavior, allowing people only to act within certain parameters, or put another way, unfold what is already enfolded. So, in a round-about way, the MBTI hints at the fundamental question of novelty in an often so familiar and repetitive universe.

My days in the organizational development department of my company were rich and formative. My experiences left me with very strong convictions about organizations and people. I chose to embed those convictions, not because of the theoretical rigor underpinning those convictions, but often because, *intuitively*, the concepts appeared exactly right for the challenge at hand. The theoretical contributions that I was exposed to during those years, reinforced the systemic world view that took shape during my Masters studies. My exposure to Soft Systems methodology and its associated diagrammatic approach in depicting dynamic systems, made my commitment to a systemic view of the world explicit and categorical. I viewed the importance of *socially constructed* organizational positions (e.g. strategies, roles, business plans, etc.) as paramount and doubted the sustainability of positions developed in isolation by leaders or experts. In my view, individuals with a heightened sense of self awareness as well as sufficient awareness of circular causalities were key to viable organizational practices. It was at those issues that I was aiming my efforts as I approached the next junction in my career.

STRATEGY – AT THE HEART OF THE BEAST

In time, our organizational development department became more involved in extensive strategic work with teams of executives. During 1999, a small number of us were appointed to a newly formed unit tasked to facilitate strategic discourse in the company. So, after more than 10 years as a psychologist (a professional identity that I consciously held on to), I found myself, incredulously, responsible for business strategies. Up to this point in my life I never considered myself a business person. In spite of those personal anxieties, working with strategy sounded pretty challenging and important, so I rationalized the move

to strategy as a way to more fully understand the patterns of interaction within and amongst corporate organizations.

Finding frameworks worth talking about

On establishing the new department, my colleagues and I had a number of things in common. We shared a history of approximately six years during which the nature of our organizational development work created a strong emotional and intellectual bond amongst ourselves. We were also all registered psychologists with a limited grasp of business issues – concepts like market share, profitability and value propositions were not only foreign to us, but sounded suspiciously as if people using them were only skirting the real issues. In our minds, those ‘real’ issues were related to *the way* people think through business matters and also how they relate to both their own intra-personal as well as inter-personal issues. Finally, we also shared a strong preference to enquire into those issues through systemic methodologies and frameworks. The decision makers of our company were expecting us to collate various expert vantage points (like market and competitor intelligence, economic indicators, financial performance trends, etc) into consistent and coherent strategic positions for the respective business units.

To get to those positions, we searched strategic theory for frameworks that would engage experienced executives in constructive discussions on businesses issues. Two frameworks in particular resonated with our systemic preferences:

A. J. Slywotzky and D.J. Morrison (1998) presented a popular framework of sequentially and logically connected questions leading to the formulation of an enterprise’s ‘business design’ (Slywotzky et al, 1998: 289). The authors argue strongly for businesses to adopt a customer centric/profitability driven approach. This shift was exactly what our Executive Committee required and so we developed a two day process based largely on ‘the Slywotzky-framework’. The sequence of questioning culminated in an understanding of the enterprise’s profit model; how the business intends to exert strategic control over its profit streams and finally, articulating the key processes that its strategic business design depends on. We utilized the framework as not only a way of determining specific positions, but also

as the source for the more general, abstracted positions like the Purpose, Vision and Mission statements.

As a way of moving from a general understanding of the unit's competitive position to a more operative planning mode, we adopted the Balanced Scorecard (BSC), developed and described by Robert Kaplan and David Norton (1996). What particularly intrigued me about this approach was the way in which the four measurement perspectives of the BSC (namely the Financial, Customer, Internal Process and Learning and Growth Perspectives) combined to capture a simple, yet elegant virtuous cycle or engine of growth applicable to all organizations. By exploring the causalities between those business priorities on one piece of paper, a significant number of managers professed to, for the first time, appreciate the now obvious importance of both lead (like people, technology and process) as well as lag (like financial results) factors. We were off to a good start in the world of business strategy, contributing to my conviction that a solid process, based on thought provoking questions, is as important as the numbers, ratios and technical know-how of business executives.

When we started, strategy creation was a once-a-year work session of two to three days, attended by the executive teams of the various units. Our approach during the sessions was highly interactive, yet quite structured. Small groups would engage around specific parts of the framework under discussion to then report back to the bigger group. In time, more perspectives and frameworks were added until a comprehensive storyboard emerged as the official way teams in our company will engage to arrive at a comprehensive strategic position. Today, this process incorporates extensive environmental, market, competitor and internal performance considerations. We now prefer to engage the respective units on a more continuous basis, focusing on specific competitive challenges, of which the conclusions may ultimately find their way into the unit's strategic architecture.

Reflecting on strategy

In this way, a dramatic shift in career saw me dabbling with strategy over the past five years. Suddenly, my icons shifted from Wheatley (1994), Bolman and Deal (1995) and Maynard and Mehrtens (1993) to Slywotzky (1998), Hamel (2000), Porter (1985, 1996)

and Collins (2001). By and large, I held their theories in high regard except for a number of niggling concerns:

Hamel's (2000) anarchic hype around innovation sounded close to desperate. I attended one of his conferences on innovation in 2000 during which the conference goers could interact via a live video feed with a woman who was transforming a benchmark company – Enron. Thankfully, she was not responsible for the subsequent demise of that mighty corporate, but the incident left me wondering about the validity of the 'high level' conclusions we draw on companies when the destructive activities of pivotal players can so easily destroy that type of monolith.

To me (admittedly with my own conflict and competitive issues) Porter seems to be obsessed with the notion of competition. I was all along hoping to hear him, especially given his reputation as '... the world's single most important strategist today ...' (Sub-title on cover of Porter seminar held in Johannesburg, South Africa in 2000) acknowledges in some way the 'limits to competition' as so provocatively argued in the book by the same name by The Group of Lisbon (1994). In this study, the authors convincingly analyzed the consequences of unbridled competition and concluded that, in the context of a complex world, the *conquering* logic of competition will eventually fail as a means to govern the planet.

Collins (2001) engaged in a prolific piece of research in an attempt to uncover the magic ingredients that make good companies great. Starting out from an initial sample of 1,435 companies, Collins and his research team eventually ended up with a final group of only eleven companies that qualified as 'great' based on his stringent list of selection criteria. The eleven companies are truly remarkable, having been in existence for at least 25 years before making a transition into an industry beating performance streak that would be sustained for at least 15 years (Collins, 2001). My concern is that those companies *are* exceptional, they are not the norm. Collins then aggregate the reasons for their successes to six factors (Level 5 leadership, first picking the team and then the goal, confronting the brutal facts, determining your 'hedgehog' concept – a form of competitive sweet spot – a

culture of discipline and technological accelerators) and then propose those as a recipe for success. To me, it sounds suspiciously simplistic.

Apart from these misgivings, I nevertheless joined in and fueled the debate amongst executives on innovation, competitiveness and the sustainability of business performance. I experienced an intuitive comfort in those debates; the territory and underlying assumptions felt aligned with my key systemic departure points, cultivated since my Masters studies. The dissonance was much more subtle and only became pronounced when I started to reflect back on the strategic positions and plans of three to four years ago. I tried to reconcile those with what actually transpired and also how the latter came about. Despite extensive and highly democratic debates on long term strategies and immediate projects to progress towards that desired state, things seldom worked out as planned. The multitude of projects executives insisted on having, rarely got implemented; scorecards, balanced or predictably skewed towards financials, did not shape people's behavior as anticipated; day-to-day crises led to executive decisions that often left the strategic aspirations of the business compromised and finally, the obvious, rational thing to do, got delayed, side-tracked or ignored because of political considerations.

All in all, business strategy started to look decidedly messy. Still, I also had to acknowledge the progress made, albeit often difficult to pinpoint. Certainly, our business performance kept on improving year-on-year. But the important sense of progress seemed to me to be more related to the quality of conversations that started to take place; the often slow but important resolution of political stalemates; the gradual agreement amongst powerful figures on a new approach to the market. I started to feel myself at a loss as to what was really going on. Was the official objective of a discussion actually what we were aiming for or was the important achievement much more subtle and part of a process with no apparent beginning or end? Were the bulky plans and budgets the critical, time bound directives they were made out to be or rather all part of an ongoing, complex discourse on where we are, where we are attempting to move and what we deem to be important on our way there?

Then I joined the Hertfordshire University's Doctorate in Management program. In what was for me an often painful experience, I read on as Stacey (2003) started to rip holes in the sanctified space of my systemic view of the world. Right then, I felt gloriously confused, but almost manically alert to seeing the world of business anew; stripped of useless constructs like 'long-term' and 'high level' that mostly obscured the significance of small, local actions. Soon, I was pushing for a reconsideration of what we considered to be the strategic realm of Head Office while coming to better understand the long term significance of local activities. I also, albeit clumsily, started to implore colleagues to embrace a more comprehensive spectrum of human behavior rather than a simplistic, rational view.

CONCLUSION

As I reflected on the theoretical influences that contributed to what I believe and how I approach my work, I was also beginning to notice a shift in how I perceived events in my organization. As I am writing this now, I am almost painfully aware of the immense number of local interactions happening on a daily basis between our staff members and clients. With this awareness I am also beginning to understand how impossible, perhaps even ludicrous, our Head Office attempts are to exert much influence on how those local interactions will emerge.

I mentioned the reservations I now have with the work of authors like Porter (1985, 1996), Hamel (2000) and Collins (2001). On reflection, it is the conscious or unconscious audacity of those authors to imply that leaders can change how thousands of people behave by merely issuing a strategy that I am finding hard to believe. And yet, those were the very assumptions that underpinned my practice for the past five years. Having read Stacey's (2003) criticism of systemically inspired approaches to strategy, I still often find his arguments harsh and overly pedantic. I will then, during the course of the next Project, focus on both Stacey's critique of those approaches to strategy as well as my own doubts and suspicions as a way to accentuate and challenge the shift I am experiencing.

PROJECT 2: A CRITICAL REFLECTION ON THE ASSUMPTIONS OF STRATEGIC CHOICE THEORY

INTRODUCTION

My practice is closely linked to the notion of business strategy, having worked for the past five years in the strategy department of a financial services company. During those years, my understanding of what strategy means and why people do it has changed and appears to keep on changing as new vantage points become evident through different events in my life. Most notably, first, my exposure to and application of systemic approaches as reflected on in Project 1, second, the new perspectives offered by the Doctorate in Management program on complex responsive processes of relating and the implications of this perspective on the appropriateness of systemic approaches to strategy and third, a sudden introduction of an analysis-heavy approach in my department, all contributed to the ongoing evolution of my approach to strategy.

The Research Question

Starting off on Project 2, I was aware of an intensifying inner debate I was having around strategy as a social process. During the past five years I have adopted many of the strategic constructs conveyed by leading thinkers in the fields of Strategic Choice theory (e.g. Porter, 1985, 1996; Johnson and Scholes, 2002; Kaplan and Norton, 1996 and Prahalad and Hamel, 1990, 1994) as well as Learning Organization theory (e.g. Senge, 1990; Van der Heijden, 1996 and De Geus, 1997). Often the constructs forwarded by these authors reflect the physical or biological heritage of their respective assumptions, e.g. strategic *architecture*, *value chains*, *resources*, *scorecards*, *systems*, *stocks*, *flows*, *leverage*, *re-engineering*, companies as living *organisms*, the *brains* of the organization and so on. (Admittedly, the advocates of Learning Organization theory have taken significant strides in viewing organizations as *social* systems (De Geus, 1997; Senge, 1990)). Further analysis, as that done by Stacey (2003), reveals still more orthodoxies underpinning these theories, e.g. consistent ways of viewing interaction, human beings, methodology and how the respective theories

deal with paradox. In applying constructs forwarded by these theorists in my own practice I have become puzzled with how unrelated the carefully crafted strategies and plans appeared when compared with what people actually did subsequent to formulating those strategies and plans. Certainly, if everyone agreed to the carefully analyzed positions as the best possible ways to approach business, their actions should then be shaped by those agreements? Then why were people not adhering to the logic and discipline of the strategies and plans? Something was not adding up.

Through my exposure to the work of Elias (1970, [1939] 2000), Stacey (2000, 2001, 2003, 2005), Griffin (2000, 2002, 2005) and Shaw (2000, 2002), I have started to speculate about the value of viewing the process of strategy as a social process, occurring between people in the course of ordinary conversations. Such an enquiry would stand in sharp contrast to the more rational, sequential and aggregated descriptions of strategic activity typical of the more traditional approaches to strategy. Still, the influence of Strategic Choice theory is obvious in my current practice. I was therefore intrigued by Stacey's (2003) comment that '[Strategic Choice] theory provides a partial and limited explanation of how organizational life unfolds.' (Stacey, 2003: 81). I had to explore my 'intuitive' resonance with this statement against the day-to-day realities of my actual practice. Thus, in this project, I aim to engage with the question:

- *In what way does Strategic Choice theory not explain the unfolding of organizational life sufficiently?*

Stated differently:

- *How do actions, that people will consider to be strategic in nature, arise in social processes rather than through the overly macro constructs and rational analyses forwarded by Strategic Choice theorists?*

In approaching this question my intention is to relate a strategic episode from my recent experience at work. My focus in relating this episode will not be on sanitized systemic constructs that usually get communicated to staff and the public, e.g. the strategic rationale for the change, the defined vision of the desired end-state and the sequential milestones and deliverables of the action plan. My focus will rather be on my own recollection of the formal

and informal discussions that happened between people as well as my own inner, subjective conversations that accompanied my participation and evolving intent during the process. In reflecting on this event I will consider how this strategic event is explained by the perspectives provided by Strategic Choice theory. (Due to practical constraints, I will limit the scope of this inquiry to Strategic Choice theory). I will also engage with perspectives provided by the advocates of Complex Responsive Processes of Relating to come to terms with the research question.

In order to engage sensibly with the narrative through these theoretical perspectives I will first attempt to briefly summarize, in an uncritical fashion, the different approaches to strategy as presented by a number of the key proponents of the Strategic Choice and Complex Responsive Processes of Relating schools of thought.

Strategic Choice Theory

Introduction

For the Strategic Choice theorist, strategy is all about the choices ‘a company’ makes to achieve a superior differentiated position in its market/s of choice relative to that of its competitors. According to two key advocates of Strategic Choice theory, Johnson and Scholes (2002), strategic choices are made with a *corporate*, a *business* or a *directional* issue at stake. *Corporate strategy* will deal with choices raised by the question: How do corporate ‘parents’ manage the value created by the respective business units? *Business strategy* is aimed at making decisions around how a specific business unit competes successfully in the market while creating shareholder value. Finally, *directional strategy* concerns itself with the internal developments as well as possible opportunities through alliances or acquisitions that need to be considered. To test the viability of the decision, factors such as suitability (does the option address the circumstances in which the organization operates?), acceptability (what is the expected performance outcomes?) and feasibility (could the strategy be made to work in practice?) need to be considered.

In the following paragraphs, I will focus on the work of respectively Michael E. Porter (1985, 1996), regarded by many as one of the most influential authors in this tradition, and C.K.

Prahalad and Gary Hamel (1990, 1994), two voices who gained prominence in the 1990's with their contrarian views on some of the initial premises forwarded by Porter.

Porter

As one of the foremost authorities in the field of strategy, Porter (1985) links the strategies of firms inextricably to competition. To him, 'Competition determines the appropriateness of a firm's activities ...' (Porter, 1985: 1). Thus, strategy is a response to competitive forces in the firm's industry of choice.

Competitive strategy is the search for a favorable competitive position in an industry, the fundamental arena in which competition occurs.

Porter, 1985: 1.

Thus, the entire book reflects a recurring assessment of the competitive value of the strategic choices companies need to consider. To assist in this understanding in a systematic way, Porter introduces the notion of a 'value chain':

[A basic tool that] disaggregates a firm into its strategically relevant activities in order to understand the behavior of costs and the existing and potential sources of differentiation. A firm gains competitive advantage by performing these strategically important activities more cheaply or better than its competitors.

Porter, 1985: 33.

Porter then applies the value chain in this way to consider the competitive options companies have with regards cost advantage, differentiation from competitors as well as technology. He devotes a substantial part of this work to consider the segmentation of an industry as a basis for competitive strategy before exploring the pro's and con's of, as well as counter measures to, a 'substitution' strategy. In the light of the emerging importance of synergies across different business units at the time, he next describes the concept of 'horizontal strategy' as a way to think about and deal with the obstacles to cross business unit collaboration. He concludes this book with a section on defensive and offensive competitive strategy.

Prahalad and Hamel

Ten years later, Prahalad and Hamel (1994) start off by acknowledging their indebtedness to Porter as they explore strategy as ‘competition for the future’ (Prahalad et al, 1994: xiii). Simultaneously, they pay tribute to the work of Henry Mintzberg (1994) in his recognition of strategy as ‘always evolutionary and often unpredictable.’ (ibid: xiii). Curiously, they do not pursue the notion of unpredictability again as they steadily start to build a realist argument for the construction of the future. For them, in this race ‘to get to the future first’ (ibid: 23) the required view of strategy is a view that one, attempts to understand the nature of the competitive challenge and how it has changed; two, finds the future through learning and forgetting, foresight and positioning and comprehensive strategic architecture; three, mobilizes the company for the future by providing stretch goals that challenges employees while accumulating and leveraging resources; four, gets the company to the future first by shaping the future structure of industry, lead the race for core competence leadership, compete as a coalition and not as a single entity and finally, maximize the rate of new market learning while minimizing the time to global preemption.

To become industry leaders, companies must reinvent their industries through, amongst others, thinking differently about competitiveness, strategy and organizations. They continue to argue that, instead of focusing on what it is that makes one company more profitable than the next (e.g. their competitive advantage and position – the key components of Porter’s definition) it is now becoming more important to focus on the ‘why’ some companies are more adept at transforming industry structures to their advantage. To uncover this hidden cause the authors suggest that previous attempts to understand competitiveness (presumably also by Porter) has been too narrow in terms of the time frame considered (three to four years instead of ten, fifteen or even twenty years), the unit of analysis employed (competing products or service offerings instead of competing firms, top management teams and even coalitions of firms) and the competitive arena encompassed (competition for foresight, building competencies and shaping industry evolution all happening ‘outside’ traditional markets). Finally, the authors uncover the hidden cause of competitiveness as a company’s ‘genetic code’ (ibid: 279), i.e. how managers of a company ‘... are genetically encoded to think ...’ (ibid: 280) and suggest a guide to ‘... “gene replacement therapy” for senior managers.’ (ibid: 280). This would entail ‘... making industry and company conventions

explicit, understanding how those conventions could imperil the firm's success in the future, delving deeply into industry continuities, establishing a process for extending industry foresight and working collectively to craft strategic architecture ...' (ibid: 280).

In taking up this position, Prahalad and Hamel introduce an important deviation from the Porter position. They contest the primary issue behind competitiveness as not finding a unique position in response to the industry, but rather transforming the industry to capitalize on the company's strategic core competencies. They also suggest that Porter's view of industry as the fundamental arena for competition is too narrow. Whilst conceding to the Mintzberg position (1994) of the evolving and unpredictable nature of strategy, they are however extremely optimistic about companies' abilities to create selected competencies over time periods of ten years and longer. They do not engage with the apparent contradiction of unpredictability and emergence on the one hand and on the other hand, being quite deterministic about planning what capabilities will be required ten years into the future. Their 'guide to gene replacement therapy' reflects the influence of Learning Organization theorists by alluding to (toxic) mental models.

Porter's Response

Porter subsequently reiterated his initial position. In an article published in 1996, he insists that 'Competitive strategy ... means deliberately choosing a different set of activities to deliver a unique mix of value.' (Porter, 1996: 64). He adds that '... the essence of strategy ... is choosing to perform activities differently or to perform different activities than rivals.' (ibid). For Porter, there are essentially *three strategic choices* companies can make to find a unique strategic position; first, choices related to variety-based positioning in which companies opt for product or service varieties rather than customer segments (an example will be the first incorporation of a digital camera functionality into a cellular phone – problem is that competitors usually manage to replicate such a feature rather quickly); second, choices related to needs-based positioning in which companies choose to serve the needs of a particular group of customers (the very exclusive services offered to wealthy customers through the private banking offerings of banks will be an example) and third, access-based positioning in which companies opt for specific configuration of delivery

activities in order to grant customers with special access requirements, access to their products or services (Banks have introduced novel ways of giving customers living in remote areas access to banking facilities, e.g. a ‘portable’ branch that can be erected in a matter of days without the usual infrastructural requirements of electricity and water – all these come ‘built-in’.) By sticking to these three differentiating factors, Porter (1996) challenges Prahalad’s and Hamel’s (1994) suggestion that the scope of enquiry into differentiation should be broadened beyond mere products, services, customer segments and access issues to incorporate capabilities like competing executive teams and coalitions as well as different competitive arenas like competition for foresight. Porter (1994) seems to suggest that authors should stick to the (his) basics. He continues his argument by claiming that unique and sustainable competitive positions arise not from a single choice or activity (which can easily be understood by terms such as ‘core competencies’) but rather from the ‘... strategic fit ...’ (ibid: 73) between various interconnected systems of activity. It would be virtually impossible for competitors to replicate the activity systems of companies with strong fit among their activities. Apart from the difficulty to copy not only the activities but also the unique interconnections between activities, competitors may also be forced into too many trade-offs in terms of their own current activities to successfully follow companies with strong fit. Still, these systems of activity stem from your primary strategic choices. This then seems to be Porter’s counter-proposal as the root cause for competitiveness. He does, however mention, that these type of strategic positions ‘... should have a horizon of a decade or more ...’ (ibid: 74) because continuity ‘... fosters improvements in individual activities and the fit across activities, ...’ (ibid:74).

Complex Responsive Processes of Relating

Transformational Teleology as Foundation

Stacey, Griffin and Shaw (2000) relate their own growing disillusionment over time with the application of systems thinking and cognitivist psychology to explain organizational life while also finding analogical resonance with complexity theory. In moving to think about *organizing* (as opposed to an *organization as a system*) as ‘highly complex ongoing processes of people relating to each other’ (Stacey, et al 2000:188), they seek to understand organizing or human action from within the causal framework of Transformative Teleology.

Stacey (2001) describes ‘teleology’ as ‘concerned with why a particular phenomenon becomes what it becomes ...the kind of movement into the future that is being assumed ... the reason for the movement into the future.’ (Stacey, 2001: 162). With ‘Transformative Teleology’ Stacey then implies that

[The] movement of human action is toward an *unknown* future, that is, a future which is under perpetual reconstruction by the movement of *human action* itself. The reason for the movement of human action is to express continuity and transformation of individual and collective identity and difference at the same time.

Stacey, 2001: 162 – 163; italics added.

With this position as foundation, the Complex Responsive Processes theorists make a significant shift away from the Strategic Choice position which advocates the future as *knowable* through analysis and foresight.

The Future Constructed through Ordinary Human Interaction

Following on from this teleological foundation, Stacey (2001) continues:

[The] process of perpetual construction is one of *communicative interaction*, in the living present, between human bodies and the context they find themselves in. In other words, the cause of the movement toward a know-unknown future is the *detailed, self-organizing process of human interaction* as it forms and is formed by itself at the same time.

Ibid: 163; italics added.

Another important difference between Strategic Choice and Complex Responsive Processes becomes evident through this statement, namely that of the radical social view of organizational life proposed by the latter group. Like other social phenomena, organizational life and the future arise through human interaction in a self-organizing and perpetual, paradoxical way, where interaction between people patterns the themes that will give shape to the future and is shaped at the same time by the very patterns it (the interaction) is forming.

If people were to make sense of organizational life from this perspective, they need to:

... [attend] to the ordinary, everyday communicative interacting between people at their own local level of interaction in the living present. This is because it is in this process that the future is being perpetually constructed as identity and difference.

Ibid: 163.

In acknowledging the everyday conversational life in organizations as ‘where’ or ‘when’ the future is being perpetually constructed, the authors (Stacey, Griffin and Shaw, 2000) find the complexity sciences useful sources of analogies for human action. It is in the ongoing conversations between people that themes arise while at the same time ‘continuously reproducing and potentially transforming themselves in the process of bodily interaction itself’ (Griffin, 2002: 169). When small fluctuations, often introduced through diverse interactions between diverse people, are amplified, novel, discontinuous change emerges as new themes patterning the interactions between people. (Stacey, 2001). Implied in focusing the attention on the everyday conversational life in organizations, these authors also acknowledge the importance of the present as ‘when’ the future is perpetually being constructed.

The present is described as living, which means that instead of just being a point that separates the past from the future, the present has the temporal structure of communicative interaction ... Focusing attention in this way on *the living present* places the constructive role of ordinary, everyday communicative interaction between people at the center of one’s understanding of how organizations evolve.

Stacey, 2001: 173; italics added.

This position stands in stark contrast to the negligible way in which the present is being dealt with in Strategic Choice literature, compared to those authors’ acute interest in the future.

The Implications of Understanding Organizations as Complex Responsive Processes of Relating

Stacey (2003) points to four important implications if organizations are viewed as complex responsive processes of relating. One, he suggests a move from thinking about organizations in terms of a spatial metaphor (a system with boundaries) to thinking about organizing as a temporal process where people are, in their ordinary daily interactions with each other, producing further interactions. This shift raises the importance of everyday conversations between people as the essential process through which the future is continually constructed. Two, the approach requires a radical shift from viewing people as autonomous individuals to the fundamental proposition that ‘individuals and groups form and are formed by each other simultaneously ... there can [then] be no human individual outside of relationship.’ (ibid: 411). Three, from a methodological perspective, it is impossible for people, like managers, to stand outside a process and ‘control them, direct them or even perturb them *in an intentional direction*. All such intentions are gestures made to others in an organization and what happens unfolds from the ongoing responses.’ (ibid: 413). Managers, like any other, are active (albeit influential) players in a temporal process that holds the potential for continuity and spontaneous transformation. Four, the theory emphasizes the importance and pervasiveness of paradox as intrinsic to organizational life ‘in that the individual and the group are paradoxically formed by and forming each other at the same time.’ (ibid: 413). Unlike systems thinking that attempts to dissolve paradox, this theory acknowledges that paradox cannot be resolved, but ‘only endlessly transformed.’ (ibid: 414).

Implications for Thinking about Strategy

Stacey (2003) concludes that, instead of providing strategy practitioners with a new methodology and specific prescriptions, the theory of complex responsive processes of relating ‘invites recognition of the uniqueness and non-repeatability of experience’ (ibid: 415). Thus, it attempts to focus attention differently. He highlights focusing attention on the quality of participation, the quality of conversational life, the quality of anxiety, the quality of diversity and finally, focusing attention on unpredictability and paradox. Stacey concludes:

Strategies emerge, intentions emerge, in the ongoing conversational life of an organization and in the ongoing conversations between people in different

organizations. Strategic management is the process of actively participating in the conversations around important emerging issues. Strategic direction is not set in advance but understood in hindsight as it is emerging or after it has emerged. This is because small changes can escalate to have enormous consequences, then the distinction between what is strategic and what is, say, tactical becomes very problematic. The distinction can only be identified after the event. Complex responsive processes theory therefore leads to a different conceptualization of strategy and strategic management.

ibid: 423.

Conclusion

From these abbreviated perspectives on strategy from respectively Strategic Choice theorists and the proponents of Complex Responsive Processes, the contrasting differences in approach should be quite clear. The Strategic Choice theorists subscribe fully to being able to not only predict the future, but also shape and create ‘systems’, organizations and even industries in line with those predictions. In contrast, the Complex Responsive theorists are adamant that the future is unpredictable yet at the same time recognizable. They hold that this acknowledgement should not prevent anyone from acting with conviction, because acting on the ‘basis of one’s own local understanding’ (Stacey, 2003: 421) is sufficient. It is from those local interactions that global patterns will emerge.

Next, I will attempt to track my and other role-players’ local interactions as we engaged in what I considered an ‘important emerging issue.’ I would hope to, through the narrative, return to my earlier question (*In what way does Strategic Choice theory not explain the unfolding of organizational life sufficiently?*) and explore to what extent the two approaches explain, challenge or refute what the narrative recounted.

THE NARRATIVE: 'INTEGRATING SALES AND SERVICE'

Entering

I arrived late for a meeting convened at short notice. Beforehand, I was told that the meeting will have a bearing on anticipated changes to our Sales and Service environment. I was expecting my own role in what was to follow to become clearer during the meeting, as is often the case. Based on past experiences, I anticipated that the other members of the meeting would have slightly varying expectations from me, some to assist in 'driving' the implementation of whatever was envisaged, others to assist in still shaping the anticipated changes.

At the table, A² and B were already in deep conversation with their mutual immediate boss, C. I have been working closely with A for four years as the strategy consultant assigned to his former business unit. We have build up a close relationship even though we tend to differ regularly on issues relating to business. My perception of A is that he tends to move first and then attempts to deal with the consequences of his actions. On a number of occasions this approach has worked well for him – amongst his superiors and colleagues he is considered to be a person who gets things done. His close involvement with all parts of his business makes him a demanding boss to work for. His subordinates often complain about the ever-growing list of problems A would insist requires immediate fixing. This demanding approach and constant shifting of focus, whether or not his intention, imbue A's environment with an unremitting sense of pressure.

As a seasoned financial broker with years of sales experience, B has come into his own since being asked to head up a new combined unit encompassing all sales personnel. Despite a complex set of dependencies with other executives, B has managed to bring sales people from various disparate areas together in a highly focused and motivated team that was busy delivering on the ambitious sales targets set to them.

² Within a narrative, the same alphabetical letters will designate the same players. However, with each new project, letters will be assigned anew to players in order of 'appearance'.

The last member at the table, C, has recently been appointed to our Group Executive Committee as both A's and B's superior. She worked previously in another division within the company, so information about her is still sketchy and anecdotal.

Background

The discussion centered on bringing together the two structures currently managed respectively by A and B. A's area of responsibility encompasses all branches, call centers, our internet services as well as Automated Teller Machines (ATM's). Apart from the actual technology and infrastructure, this business unit also accounts for approximately 7000 people, the majority of which are working in the branches in a customer service capacity, e.g. teller and enquiry services. B's area of accountability is for all sales activity in the business. The number of people in his business unit amounts to approximately 3000, mostly working in either branches or call centers. In the majority of banks today, these two functional areas will work together and will also report to the same executive. The anomaly in our operations came about in 2001 when a decision by the executives at the time, ruled to 'split' the sales from the service function in the branch structures. In time, the decision proved to be a costly and ineffective one as people working together in branches began to adopt often conflicting ways of dealing with customers. In the case of management structures, the 'split' left the company with duplicated positions in each of the geographical regions.

But now the game has changed. In 2004, the plans around a majority share buy-out in our company by a big international company became known. From the outset, delegates from the acquiring company made it clear that the sales and service anomaly cannot continue if we were to implement the global philosophy of the acquirer. It was clear that this meeting was intended to pre-empt the inevitable – integrating the Sales and Service structures before being told to do so by a foreign executive.

The Proposal and my Countering Logic

As I sat down, A briefly told me what had already been agreed between himself and B. In essence, A will take charge of all sales people in addition to his current team. B will establish a small, specialist team aimed at enabling the performance of the sales people through sales

process enhancements, incentive programs and technological enablers. B appeared, uncharacteristically, quite detached and pensive. The agreed approach would see him passing accountability for 3000 sales people to A. Over the past year he has proved to be exceptionally effective in engaging with these sales people. This new proposal will see him lose touch with them and narrow his responsibilities down to a primarily office bound position.

Although still unclear about exactly what it was they wanted from me, the account given to me by A of their proposal triggered an immediate reaction in me. My first reaction was that the proposal is short-sighted and typical of the ‘back-of-a-cigarette-box’ proposals I associate with A. If we were now presented with a strategic opportunity to rethink how we will be organizing our activity in our delivery operations, I would prefer to also consider the strategic opportunities from a technological and structural point of view. Our position of market leadership in our delivery operations (e.g. a market leading internet banking offering as well as the bank with traditionally the most extensive branch network coverage) was now increasingly being challenged by competitors through innovative alternative offerings as well as a much more rapid approach to the deployment of branch facilities in remote and previously neglected localities. Also, the competitive challenge extends to the technological platforms that should support and integrate all the front-end solutions. Those developments would require hundred-million dollar investment decisions. Finally, banks were starting to enter into various alliances with other players to deliver some of those solutions through partnering deals. At the time, those decisions were forwarded in a fragmented way and lacked a comprehensive yet clearly articulated and shared intent and rationale. Certainly, by spending time understanding the extent of the work required better, we should be able to make better use of not only B’s, but also, A’s vast capabilities and experience. Looking at C, I surmised that she was still too new in the position to grasp the implications of the suggested change. She was not going to question the discretion of the two experienced colleagues. I felt I could not let the suggested proposal pass by unchallenged.

My Response and A's Retort

Consequently, I reacted by saying that the proposal did not sound sustainable for two reasons: Firstly, the number of people reporting into A will leave him with little time to think about the highly complex infrastructural and technological developments required in modern day delivery of banking services. Secondly, given B's seniority and capabilities, the proposed specialist sales enablement function looked like a hastily created fall-back position that will soon prove to be very short term focused. I proposed that we should consider the full spectrum of delivery challenges that face us, as touched on above. In considering those and other factors, I was of the opinion that we would find a more appropriate way of organizing the long, medium and short term tasks associated with our delivery operations amongst both A and B.

While I was talking, A's bodily response made it clear that he was losing interest. As soon as I stopped talking he commented that it was not the time to try and implement a ten year view – we needed to move quickly and so ensure that we do not lose the current sales momentum achieved through B's efforts. I responded that none of what I talked about was due to happen in ten years from now – all the mentioned facets of delivery were happening as we spoke albeit in a haphazard and disjointed way. A responded with an abrupt remark that what I was suggesting was in any case of no concern, because no one was listening to what I have to say anyway. The remark left me stunned. I immediately sat back, feeling insulted and snubbed. My interpretation of A's comment was that he was determined to move quickly on the obvious thing – merging structures and moving people around. His remark was clearly aimed at stopping any drawn out deliberations on an issue that to him was already settled. As I sat back I tried to understand how the idea came about.

By the looks of it, B was feeling quite ambivalent about the proposal – I could sense his uncertainty in the way he was still testing other alternatives. Often in similar circumstances, A would have taken his cue from D, C's superior. My relationship with D is open and frank even though we do not talk more than two or three times a month. If A was acting on D's instructions, it would be harder to introduce a different proposal at this stage. B tried to pursue the argument I fielded, but shortly thereafter sat back and kept quiet. At this point, C

joined the debate, backing A's proposal and effectively bringing an end to the discussion. She requested a speedy, one page proposal on the integration effort and adjourned the meeting.

My Internal Conversations after the Meeting

The initial meeting in C's office lingered on in my own internal conversations. I was intrigued by the origin of A's proposal – it seemed to have emerged out of nowhere. This was often a tell-tale sign of involvement by D. In principle, I have no objection to powerful people introducing specific intentions into business; my reaction to the suggestion of an intervention by D was therefore interesting. I felt myself reacting against the exclusive nature of the proposal – one or possibly two people were included and a host of others (including myself) excluded from arguing the appropriateness of the idea. But then, how does intention take shape and grow to a commonly shared attitude? Is inclusivity not a pre-requisite? As a Strategy Consultant supposedly informed of all strategic movements, I certainly used to think so. Thus, I was constantly exasperated by the relentless emergence of new intentions. If, however, strategic intentions emerge in the ordinary conversations amongst people and not only, if ever, in the carefully orchestrated but often lifeless strategy workshops, then those intentions will be shaped and formed (at least initially) behind closed doors, in casual and formal conversations, even in an individual's private reflections on a difficult issue and/or through the heavy-handed tactics of powerful people.

Also, the political nature of the proposal was quite obvious. Already, a project had been constituted by people working on the proposed buy-out to explore the possible integration of our Sales and Service environment. I was appointed to head up the work-stream responsible for the 'Organizational Design and Human Resources.' During the initial discussion of the proposal, A suggested that we keep this piece of work outside the collaboration with the acquisition team, clearly a political move to maintain power over the 10 000 people working in the Sales and Service divisions. By involving me in the proposal, I was now presented with the precarious task of keeping the inseparable separate. The work originating from the acquisition deal presented us with a clear strategic reason for the Sales and Service integration – the acquiring company adopted a very specific approach to their operations

aimed at value creation. Business was driven from a clear intent to optimize long term economic profit rather than merely driving huge volumes of sales, regardless of the contribution to profitability. To do this effectively, the people in branches and call centers have to be managed from an integrated intent, represented by a branch or call center scorecard. In this dispensation, a split between the Sales and Service organizations simply would not make sense. Thus, initiating the Sales and Service integration from within the acquisition project provided us with a compelling rationale for change. Trying to keep it separate, not only introduced more political complexity, but also left the work dangling in an intention-poor vacuum.

The Follow-Up Meeting

C's request prompted A, B and me to convene an urgent follow-up meeting to discuss what was to happen next. At this meeting, we were joined by the general managers reporting to A and B respectively – if the integration was going to happen, they would be the first to be affected. Also invited were the Human Resource (HR) Managers of the two areas. B and his HR Manager came prepared with a document listing the potential responsibilities of the proposed new Sales Enablement Unit. The list spanned five pages of activities, all somehow related to the support and enablement of our staff's sales activities. I concluded from the document that B had resigned himself to the proposed change and was beginning to create some sense of what his future position might hold.

Whilst discussing the document, B's General Manager mentioned in passing that the staff in the branch network had got wind of the proposed change – rumors and speculation were beginning to emerge everywhere and he was getting calls from across the country from people trying to glean what was going to happen. I was quite shocked to hear this. From past experience I knew how quickly rumors of this nature and the resulting uncertainty could negatively impact on the ability of people to keep on focusing on their work. Already reports in the media were planting the seeds of doubt about our ability to sustain our business performance amidst all the anticipated changes. With the high expectations created around the deal (reflected in a soaring share price), we were committed to consistently exceed market expectations over the following months. With people in the regions already talking

about the changes, we were left with little choice but to tackle the situation head-on and in record time. The meeting resulted in a number of principle decisions on the nature of the changes envisaged as well as possible approaches to bring those changes about. I was tasked (together with the two HR Managers) to formulate a more detailed document addressing the rationale for the change, principles to adhere to during the change as well as the proposed changes themselves.

Broadening the Conversation

Shortly after the meeting and the first draft of our document, I was approached by E, a new colleague who was leading the acquisition project. E became aware of our initiative and was trying to ascertain from me whether the work could be approached from within the broader acquisition project. He assured me that he had discussions with A, B and C and that they were all comfortable with such an approach. Although this came as a surprise to me, I was relieved by this development. It would immediately involve more participants and at the same time, create the opportunity to link the sales and service integration work with the management approach favored by the acquiring company. A work session was scheduled where a comprehensive approach to the Project would be determined. During the work session, the full scope of the Project became clearer. A complete new approach to optimizing the value of business would accompany the Sales and Service integration. Accordingly, work-streams responsible for the application of management techniques like product weightings based on value contribution, branch scorecards and a revised target setting approach were also established. Then an interesting development became apparent. E was in the process of arranging a visit abroad for people to see the intended way of work at the acquiring company's offices first hand. Not only was A invited, but the delegation would also include the two general managers reporting to A and B respectively. The two managers were, after A and B, the most influential in the two areas of Sales and Service. Consequently their commitment to the proposed changes was seen as critical. With the intended trip, E was securing his own power base relative to that of A and B as he was now being seen as the person holding the key to the 'new way' of doing business. A trip abroad also holds a certain allure amongst our people and was sure to sway the sentiments of the two managers, regardless of the insights the visits to the international locations might bring. Our intentions

around sales and service were evolving rapidly through conversations, moves and counter-moves.

The Announcement

The Sales and Service Integration effort was constituted as a formal XXX³ Integration project, shortly after the return of the international delegation, subjecting it to external auditing scrutiny. As a formal XXX Integration project, several principles and practices utilised in the XXX international operations were now also formally included in the local project. Specifically, a value based business philosophy and a number of associated practices were seen as an integral part of the new designs of the integrated sales and service workforce. Concurrent with this initiative, E also suggested an intensive focus on sales production over the last quarter of the financial year, aimed at providing immediate proof of the financial viability of the deal. To bring about this focus, E proposed a Sales Campaign through which our Sales and Service people would share in a lucrative incentive scheme if they were to achieve significantly stretched targets. The internal launch of this campaign was planned to happen within a month of the initial proposal being made and was to take place at a big meeting of regional sales people.

I received a call from one of our general managers shortly after the sales campaign was announced to test my views on whether we should not, simultaneously with the launch of the campaign, also announce our plans with the integration of Sales and Service. According to him, queries amongst staff were escalating daily. I knew that, with rumors and speculations on the increase, the campaign event would be overshadowed by those conjectures if we did not address the issue in some way. Although this would mean making the announcement significantly earlier than we initially planned the risk of delaying it was now beginning to overshadow the risk associated with a rushed and therefore possibly incomplete announcement. As a result, my project team, responsible for the Human Resource and Organizational Design, accelerated our work on role descriptions, geographical demarcations, the role and functions of B's new specialist unit, implications for other departments and many more.

³ A pseudonym for the acquiring company

Concurrent with all of this happening, I started to compile a PowerPoint presentation that would serve as the anchor communiqué during the event. Starting off with a brief history on our current Sales and Service configuration, I then dealt briefly with the rationale for the change, crafted a vision of an ideal end-state before pausing to reflect on the XXX concept of Value Management. Next, I highlighted the proposed changes as they would manifest in geographical demarcations, organizational structures and inter-departmental dependencies. I concluded with an abbreviated timeline, specifying what was supposed to happen by when. With input from the rest of the Event Design Team, the presentation made its way through five iterations. In the end, the presentation reflected a coherent logic, tying together even the company's new vision as well as our aspirations with the proposed changes. The XXX approach to Value Management was now positioned as a core principle in the rationale for change. Of course, none of the initial conversations and motives was reflected in the official communiqué, strengthening the belief that strategic change is an organizational process driven by logic and the foresight of executives.

A CRITIQUE ON STRATEGIC CHOICE THEORY

Introduction

In approaching the following critique on Strategic Choice theory, my arguments will be strongly shaped by my understanding of a radically social approach to strategy, relying heavily on the work of Elias ([1939] 2000), Griffin (2002), Shaw (2002), Dalal (2002) and Stacey (2003) in particular. However, as will soon be evident, my critique also exposes first, how I continue to adhere to the rational and formative assumptions so evident in Strategic Choice theory and second, my associated inability to engage people in such a way that will focus our attention differently in our ordinary conversations.

The Realist Position of Strategic Choice Theorists

Perhaps the most immediately evident and pervasive characteristic of the deliberations of the Strategic Choice theorists is the *realist* position that they assume. By adopting a realist position on business phenomena such as competitive advantage, core competences, the

competitive arena and systems of activity, Strategic Choice advocates treat these factors as realities that actually exist and not as social constructions by people participating in the day-to-day activities of organizational life (Stacey, 2003).

When Porter (1996) refers to ‘systems of activities’ or Prahalad and Hamel (1994) to ‘resource leveraging’ (Prahalad et al, 1994: 157) we must assume that what they refer to will in most cases eventually come down to the actions of people. Elias (1970) remarked of these ‘de-humanizing concepts’ (ibid: 64) that: ‘After all, *industrialization* ultimately means nothing more than that more and more people came to be occupied as entrepreneurs, employees and workers’ (Elias, 1970: 64; italics added). Similarly, when Porter (1996), in describing the Southwest case study, refers to a component in that ‘system of activity’ as ‘Lean, highly productive ground crew’ (Porter, 1996: 73) it simply means that a limited number of people show up on a daily basis and maintain a high level of productivity, day in and day out without fail. The abstract phrase ‘High aircraft utilization’ (Porter, 1996: 73) somehow fails to convey the fact that it is the *people* working on those aircraft (flight schedulers, maintenance engineers, pilots, flight crew and others) that should be doing their work in such a way that collectively they can keep the aircraft flying more regularly than other competing airlines. In a similar vein, Prahalad and Hamel (1994) suggest five fundamental ways in which companies can achieve ‘resource leverage’. (ibid: 160). Those are, one, concentrating resources on key strategic goals; two, efficiently accumulating resources; three, complementing resources of one type with those of another; four, conserving resources and five, rapidly recovering resources. Again, not only will each of the five ways have to be done by people, but the reference to ‘resources’ often imply ‘human resources’ or people. Thus, in this ‘leveraging of resources’, people need to get other people to concentrate on strategic goals; stay and not leave in order to accumulate; complement other people’s activities and so on. If one treats these component descriptions as *realities* (e.g. systems, resources, activities) that actually exist and not as social constructions by people participating in the day-to-day activities of organizational life (Stacey, 2003) one is left with the expectation that this ‘variable’ occurs in a *consistent* (regardless of how people show up for the task), *stable* (as if the described state has been achieved with no continuing evolution happening) and therefore *predictable* way.

The sales and service experience leads me to believe differently. On a personal level, A and C might have considered that they were ‘concentrating resources on key strategic goals’ by enrolling my own and other people’s services in the Sales and Service effort. What this meant for me personally was that I had to now juggle another task in conjunction with three other major projects while appearing to be ‘concentrated.’ At the same time, I was desperately trying to convince people working with me on the project that they need to scale down on *their* current commitments – a requirement that nobody could fulfill. As a ‘resource’ that should work in a consistent, stable and predictable way, I had real problems ‘concentrating.’

In our initial designs for the project we also assumed a uniformity of responses across different components. For example, we envisaged *highly collaborative teamwork* between *sales and service* in the branches; that *this* would lead to the *generation* of more sales leads *that* can then be converted to more *sales*. As we introduced those designs to the people whose, by implication, jobs we were trying to design, we were struck by how particular the responses of people to the conceptual design were. It appeared that ‘collaborative teamwork’ implied specific shifts in existing power relations that people reacted strongly against. On a very practical level, the ‘collaborative teamwork’ would be facilitated by morning team talks between the respective sales and service people. But who was going to convene and lead those discussions and by implication take up the formal leadership role between respectively the current sales and service leaders? This specific dilemma led to continued changes to how we were thinking about, amongst others, performance measurements and team configurations. By insisting on designing abstract solutions to social situations, we assumed a consistent and stable response from approximately one thousand people. Ultimately, the ‘final design’ was never completed, because the future was going to be perpetually constructed through the communicative interaction of people that were, amongst others, scattered around the country in hundreds of branches.

The componentized way in which we have become used to describe complex social processes like the sales and service organization consistently leads us to assume a

homogenous, uniform and predictable response from people which simply never materializes.

A Cognitivist View on People

Stacey (2003) reflects on what he refers to as a ‘cognitivist’ view of human beings, a view held implicitly by Strategic Choice theorists:

It is assumed [by the theories of Strategic Choice] that individuals are essentially cybernetic entities. They make representations of a pre-given reality taking the form of regularities built up from previous experience and mentally stored in the form of sets of rules, or schemas, cognitive maps or mental models. Through experience they make more and more accurate representations, more and more reliable cognitive maps. This process is essentially one of negative feedback in which discrepancies between the cognitive map and external reality are fed back into the map to change it, closing the gap between it and reality.

Stacey, 2003: 77.

In his earlier work, Porter (1985) describes the impediments and their sources that may hamper cross business unit ‘interrelationships’, the term he presumably developed in his subsequent work as ‘strategic fit’ (Porter, 1996). Amongst these sources of impediments he cites ‘managers’ resistance to a perceived or actual loss of autonomy’, ‘incentive systems encouraging the formation of outside coalitions’ and ‘problems of communication causing business units to perceive sister units as “other companies”’. In doing this, he alludes to the political nature of organizational life even if he attributes this phenomenon still to reified notions such as ‘business’ and ‘sister’ units. His cognitivist stance on people is reflected in his description of those behaviors in terms such as ‘resistance’ and ‘problems’, implying that reacting in this way is wrong and must be dealt with by management. He then continues by suggesting various ways to *facilitate* those interrelationships or ‘horizontal organization’ in an effort to ‘[strike] a balance ... between the vertical and horizontal elements in a diversified firm if the potential of interrelationships is to be unleashed’ (Porter, 1985: 394). Specifically, he suggests four ways in which to approach ‘horizontal organization’ namely

structural organizational devices (e.g. ‘grouping of business units, interdivisional task forces), management systems (e.g. planning, control and incentives with a cross unit dimension), human resource practices (such as cross-business unit job rotation) and conflict resolution processes that cut across business unit lines. In doing this, he assumes the cyberneticist position of the manager intervening from outside the system to, through negative feedback, create a more stable, consistent and harmonious state.

The interesting correlation between Porter’s account of ‘interrelationships’ and my own experience during the Sales and Service episode is how we tolerated the protracted negotiation of the shifts in power relations between specifically A and B. However, in our design of the new integrated sales and service organization in branches, we assumed similar cognitivist and interventionist views by minimizing in our own minds the discomfort and anxiety our proposed changes would have on the affected people. In anticipating those reactions, we designed a ‘People Change Enablement’ plan through which we hoped to ‘take care’ of any ‘resistance to change’. We were then quite taken aback by one or two particularly sharp retorts from participants at the announcement event.

In exploring his notion of ‘systems of activities’ and ‘strategic fit’ (Porter, 1996), Porter states: ‘[Strategic] Fit locks out imitators by creating a chain that is as strong as its strongest link’ (1996:70). In reflecting on the importance of ‘strategic fit’ he seems to base the notion of ‘fit’ on a complementarity that is arrived at by *rational* means. He does allude to difficulties that may be experienced ‘... because it requires the integration of decisions and actions across many independent subunits’ (ibid: 74).

What my experience points to is that the ‘fit’ we strived towards during the Sales and Service integration effort was as much a *political* as a rational endeavor. Even though there was ample rational proof of the potential value that could be gained by integrating the two functions we consistently delayed the intervention due to political constraints. B and A’s predecessors were at pains to demonstrate how closely they were working together, but no one attempted to approach full scale integration. With the XXX deal, the power balances suddenly shifted. Highly influential XXX representatives made it clear that a ‘split’ between

Sales and Service is ineffective and inefficient. The relative political discomfort of one or two senior officials (like B and A) was now less of a deterrent to change than the consequent annoyance of the new majority shareholder.

Again, as in the case of the *'realist'* assumption dealt with above, viewing people and 'organizations' as essentially *rational*, provides me with only 'a partial and limited explanation of how organizational life unfolds.' (Stacey, 2003: 81).

A Humanistic View on People

Stacey (2003) observes that, when Strategic Choice theorists do acknowledge human reactions and influences, they do so from alternatively a cognitivist and/or humanistic point of view. When the theory focuses on control, a cognitivist view is preferred while the humanistic view is dominant in issues related to leadership, motivation and culture. Prahalad and Hamel's position on strategic intent (as cited below) seems to bear Stacey out on this observation.

In tackling the challenge of 'mobilizing companies for the future' Prahalad and Hamel (1994) concludes that it is often not a company's access to *resources* that indicate future success, but rather their *resourcefulness*. This attribute stems from '... a deeply felt sense of purpose, a broadly shared dream, a truly seductive view of tomorrow's opportunity' (Prahalad et al, 1994: 128). They continue:

[It is] an ambitious and compelling *strategic intent* that provides the emotional and intellectual energy for the journey. Strategic architecture is the brain; strategic intent is the heart.

Prahalad et al, 1994: 129, italics added.

To get people to do something with commitment and passion, the authors believe the true elixir is a strategic intent that conveys a sense of direction, discovery and destiny. They then quote examples of strategic statements of intent that seemingly conveyed those messages to employees: Boeing's dream of super-jumbo aircraft, Time Warner's dream of interactive

home entertainment systems, Komatsu's dream of encircling American-based Caterpillar to be the dominant global challenger in earth-moving equipment.

During the Sales and Service initiative, members frequently blamed our temporary faltering in progress on the lack of a coherent vision or end-state. This despite the existence of a document that contained all the traditional statements – vision, rationale for change, expected outcomes, a graphic depiction of the end-state and so on. This apparent gap did however not deter people from working diligently and with great passion towards what we at that moment came to understand as the most meaningful way to proceed.

Prahalad and Hamel (1994) seem to subscribe to the humanistic view that people '... can be motivated by providing experiences in which they can experience more of their *true selves*.' (Stacey, 2003: 78). Thus, '... strategic intent is as much about the creation of meaning for employees as it is about the establishment of direction' (Prahalad et al, 1994: 134). A compelling strategic intent or vision therefore coincides with, emerges from or in some other way evokes the personal visions of autonomous individuals on their journey to self-actualization. This teleological explanation of human action, where the latter can best be understood as 'the pursuit of preconceived goals' (Joas, 1996: 156) is starkly contrasted by Stacey's (2003) assertion that 'Intention emerges in self-organizing processes of conversation while [paradoxically] at the same time organizing that conversation.' (ibid: 421). He bases this assertion on the fundamental proposition of complex responsive processes theory that individuals and groups form and are formed by each other simultaneously in the act of conversational relating.

This view provides me with a different perspective on why people seemed committed and passionate about the work during the Sales and Service integration initiative in spite of the apparent lack of a compelling strategic intent. The conversations between people involved in the initiative reflected the anxiety, diversity, unpredictability and thematic quality reflected on by Stacey (2003) as he describes the implications of understanding organizations as complex responsive processes. People like A, B and the general managers were, while shaping the new identities of the new units also busy shaping their own identities. The

involvement of influential XXX representatives introduced an often tangible quality of diverse subversion and deviance as our employees resisted yet investigated the newly introduced ideologies at the same time. The pure scope of impact on so many employees left all participants with a sense of personal responsibility that created as much energy as anxiety.

In my view, it was this *quality of the conversations* emerging from those and other factors that kept people engaged and committed amidst ridiculous schedules and crowded agendas. The quality of the conversations often approached what Shaw (2002) describes as analogous with the phenomenon perceived by scientists exploring the behavior of computer simulated complex networks of digital symbols and termed by Langton ‘at the edge of chaos’ (quoted in Shaw, 2002: 67). The term represents the moments during the simulations when ‘the patterns produced were neither random nor repetitive, but seemed to combine both characteristics simultaneously’. (ibid: 67). Shaw expands on the metaphorical application of this term to the process of people interacting:

As a metaphor we can imagine that in free-flowing communicative action, we co-create qualities of responsiveness between us whereby we experience meaning on the move, neither completely frozen into repetitive patterns nor fragmenting and dissolving into meaninglessness. ... The significance of the past may be recast, a new sense of where to go from here materializes, there may be a shift in people’s sense of self and in their relations to others, ... The patterning of our social identities shifts spontaneously.

Shaw, 2002: 68.

It is in reflecting now on the quality of those interactions during the period – from the meeting in C’s office to the arrangements around the announcement event – that I find myself concurring with Stacey (2003): ‘The fundamental motivator of human behavior is the urge to relate.’ (ibid: 411). It was not a compelling vision but rather the sense of ‘liveliness, fluidity and energy [and] a feeling of grasping at meaning and coherence’ (Stacey, 2001: 181) that kept people engaged.

The Company as a Cybernetic System

From the narrative it is clear how we all mostly viewed the task at hand as the integration of two organizations as systems, basing our decisions on macro interpretations of those organizations. Based on those interpretations our plans emphasized how we and others would intervene from outside onto observable ‘wholes’, e.g. integrating ‘Sales’ and ‘Service’, stripping out the ‘sales force’, putting ‘it’ with A, zipping the ‘branch network’ to area level and measuring ‘branches’ on a full balanced scorecard. These assumptions reflect the pervasive influence of Strategic Choice theory - by applying this way of thinking to the task at hand we considered those de-humanized wholes as the primary units of analysis, often reifying those to actual things (Stacey, 2003).

Team members would regularly request a clear picture of the end-state, following which it will be easy to then determine the steps to ‘close the gap.’ In arguing this way, they appeared to subscribe to the notion of companies as goal-driven, self-regulating systems. Such an approach led us to ignore ‘... the richness of human relationships ...’ (Stacey, 2003: 77) prevalent in the different units and branches. We anticipated people to move to stability, consistency and harmony and when this did not happen, blame was apportioned to the ‘culprits with their own agendas.’

What is the Role and Nature of Competition in Strategy?

As quoted above, Porter (1996) is explicit about competition as the basis of strategy. Prahalad and Hamel (1994) also refer to strategy in similar competitive terms, e.g. ‘competing for the future’ and ‘getting to the future first’. It struck me as peculiar therefore when, reflecting on the Sales and Service episode, I realized how seldom we referred to what our ‘competition’ was doing or how this effort would enhance or detract from our own competitiveness. If strategy is fundamentally about being different from competitors or getting to the future first; why were these concerns so absent from our deliberations? This then raises the question for me of whether the notion of competition in Strategic Choice theory is not over-emphasized while not enough recognition is given to the role played by the day-to-day ‘thematic patterning’ of organizational participants in interaction with each other.

While, during the Sales and Service intervention, our efforts were then not seen (at least not primarily) as a response to the actions of competitors; the realization that ‘it had to be done’ seemed to emanate from people’s understanding of the limitations, frustrations and possible opportunities within our own operations *as they started to engage with each other*. While participants in the episode might at different times and in different ways have reflected on competitor approaches to sales and service, their intentions on what had to be done were formed more by the emerging themes arising from their day-to-day interaction with each other than with some remote competitor. And even in instances where the actions of other players were discussed, the intent was often to *emulate* what other entities (like XXX) were perceived to be doing rather than creating differentiated positions. What was more evident then during the episode was what Stacey (2003) refers to when he comments:

Attention is then focused on the thematic patterning of interaction, such as the pattern of power relations, the patterns of inclusion and exclusion, the ideological themes sustaining them and the feelings of anxiety and shame aroused by shifts in patterns of identity.

Stacey, 2003: 417.

It was in the patterning of power relations, of individual’s responses to perceptions of inclusion and exclusion, of new ideological themes emerging between participants like A, B, C, the XXX representatives, myself and others that our understanding of what needed to happen next, emerged and evolved.

What these observations point towards is that the Strategic Choice interpretation of competition as primarily a motivator for companies to seek to *differentiate* themselves from other *players in an industry* might be too narrow. If we expand our understanding of competition to also allow for it to mean *a pervasive social phenomenon that manifest in all power relations* (e.g. in those relations of organizational agents such as A, B, C, D and E) the notion of competition becomes more useful. In doing this, the work of sociologist Norbert Elias (1970, [1939] 2000) becomes significant as a source of insights into the strategies of

organizations as societies (Stacey, 2003). I will refer to two specific instances in which his findings contribute to explain my experience during the Sales and Service episode.

In the first instance, my attention is focused on the *competition amongst our own agents* as they compete for control of resources. In this regard, Elias ([1939] 2000) reflects on the role and evolution of free competition in the following paragraph:

[Free competition] is a struggle among many for resources not yet monopolized by any individual or small group. Each social monopoly is preceded by this kind of free elimination contest; each such contest tends towards monopoly.

As against this phase of free competition, monopoly formation means on one hand the closure of direct access to certain resources for increasing numbers of people, and on the other a progressive centralization of the control of these resources.

Elias, [1939] 2000: 274.

The narrated episode can now be understood in competitive terms as, amongst others, the struggle between A and B for the monopolized control of a key resource in the company – the ten thousand people who interact with our customers as well as those people who work in supporting roles to make those customer interactions possible. The stakes were certainly high. My suggestion during the initial meeting to re-consider the configuration of C's complete portfolio, introduced a real threat to A's move – he was going to have none of that, hence his sharp retort that left me snubbed and silenced.

In the second instance and also referring to the work of Elias ([1939] 2000), I would like to explore the meaning of the term *differentiation* in the context of its social function. In his exploration of the long-term transformations of social structures, Elias ([1939] 2000) describes the tendencies towards either increased or decreased differentiation and integration as two of the main directions observable in those long-term processes. Specifically, he refers to the manner in which the upper, more powerful classes or aristocracy continued to introduce increasingly sophisticated behaviors/manners to differentiate themselves from the commoners. In response, the commoners kept on emulating those behaviors which in turn

drove the aristocrats to further embellishments of their behavior. The interesting notion commented on here by Dalal (2002), is that, despite bloody *competition* amongst the aristocracy over territory, the ‘lines of differentiation between people were more “horizontal” than “vertical.”’ (Dalal: 2002: 123). In other words, a feeling of likeness would be more evident amongst the upper strata of different courts than what would exist vertically within one court. He elaborates:

The reason for this level of identification between the courts was the logic of power. ... Despite the enmity between the courts as they engaged in bloody conflicts over territories, they nevertheless saw each other as the same type of person.’

Dalal, 2002: 123.

In their narrow depiction of ‘competition’, Strategic Choice theorists focus attention on the ‘bloody conflicts over territories’ whilst neglecting to recognise the mutual acknowledgement of similarity that exists amongst peers. By implication, the continuing attempts by the major banks to differentiate themselves from each other are in all probability exceeded by their respective attempts to remain the same. Simultaneously, new entrants (like, second and third tier banks, intermediaries and others) who might be viewing the profitable territories reigned by those players with envious eyes, must be kept at bay by continually introducing costly, progressive refinements to raise the threshold of inclusion. In this way, the ‘court society’ remains intact.

By suggesting a notion of *conforming strategies* (as opposed to ‘differentiating strategies’) I want to uphold the implications of complex responsive processes of relating for strategy as proposed by Stacey (2003). In other words, I would still see those strategies emerging in the conversations between people. I refer again to Stacey’s (2003) comments quoted above:

Strategies emerge, intentions emerge, in the ongoing conversational life of an organization and in the ongoing conversations between people in different organizations. Strategic management is the process of actively participating in the conversations around important emerging issues.

Stacey, 2003: 423.

In conclusion, whilst not negating the very real competitive struggles for market ‘territory’ between companies, I am suggesting that, from a social perspective, competition, as an important emerging issue, is not limited to this arena only. Competition needs to be acknowledged as ubiquitous amongst people inside and between different companies.

Finally, Would Strategic Choice Theorists Consider the Sales and Service Episode ‘Strategic’?

Within the Johnson and Scholes (2002) framework of strategic choices referred to above, the Sales and Service Integration initiative would be considered a strategic choice concerned with the *direction or method* to be pursued with an internal development. Porter may refer to the episode as creating a specific ‘activity’ or even a ‘*system of activity*’ which should fit strategically with other activities or systems to create a differentiated competitive position for the organization. Hamel and Prahalad may consider the sales and service effort as a choice around a *core competency*. So, making radical changes to the way we sell to and serve our customers would be considered strategically significant by Strategic Choice proponents.

At the same time though, they may argue that we failed to turn this episode into a definitive strategic moment, (i.e. an instance where we significantly enhanced our competitive position relative to our competitors) because of the way we went about the effort. For example, Porter’s criticism may well be that we seemed to be more led by *conforming* to the sales and service activities of other players like XXX than trying to build our own unique and differentiated position. Arriving at a unique and differentiated position would have been more likely if we systematically considered some or all of the following questions: How could we best configure the different components of our sales and service value chain within the context of market segments, industry developments and/or geographical factors? How were we to gain cost advantage over competitors by deliberately controlling cost drivers within the sales and service value chain? Could we attain valuable differentiation by leveraging factors such as scale, timing, technological advances and/or branch and ATM locations? None of those factors seemed to have been

considered, thus making our effort little more than an incremental attempt at optimizing two sub-optimal functions (Porter, 1985).

Similarly, Prahalad and Hamel (1994) would comment on first, the absence of a clear understanding of the competitive challenges we were trying to address; second, the lack of analytical foresight and a derived strategic architecture and third, clearly linked, stretch goals that will challenge and compel employees to get to the future first. They would conclude that our effort was constrained by being too inward looking, short-term focused and too personality driven to transform not only our company but industry itself. Was this then a strategic significant episode? Yes. Did we approach it in a strategic way? No.

What is of interest to me here is that this line of arguing closely reflects my own initial engagement with A, B and C. Then, I insisted on a more ‘considered approach’ that would take the ‘technological advances’ and other competitive opportunities we might capitalize on into account. So, I intuitively engaged in that politically loaded conversation from a Strategic Choice perspective. The apparent validity of such a stance provided me in my own mind with the moral high ground in my struggle against A’s more pragmatic approach – an approach that I labeled ‘back-of-a-cigarette-box’ while writing the narrative. Why did I think that way; why is it that the rational approach reflected in long term visions and logically constructed abstract positions holds such instinctive appeal, making more concrete and pragmatic approaches sound obtuse and simple-minded? Even now, as I reflect on what I related in the preceding paragraphs as Porter, Prahalad and Hamel’s likely critique on our approach, I am aware of feelings of shame – what would strategy experts think of us, of me, should they read this account? Surely as a strategy practitioner I should have known better and advised or influenced my superiors differently. Or maybe this account will expose how backward we are in our company; is it possible that we are the exception and that most other companies go about their strategic challenges in a systematic, methodical way? Then again, a comprehensive document does exist, crafted in 2003, which reflects a comprehensive logic including a full value chain reconfiguration and analysis. Still, not once in our conversations did anyone make mention of this positioning paper. So even if we engage with the frameworks favored by Strategic Choice theorists, the resultant

positions and choices either take two years to germinate and prompt us into acting or they do not play a role at all when we do act.

The inner conflict I am experiencing between my own instinctive affinity for the arguments posed by Strategic Choice theorists and my own understanding of what actually happened during the sales and service episode can be understood in the growing difficulty I have to subscribe to the teleological assumptions held by Strategic Choice theorists, highlighted by Stacey, Griffin and Shaw (2000) in the following paragraph:

[Mainstream social sciences] regard systems of human action in the same way that natural scientists regard systems in nature and apply Formative Teleology to those human systems. Like nature, human systems are assumed to change in ways that unfold or reveal what is already there, and their futures are therefore knowable. However it is also assumed that, like nature, these human systems can be operated upon by humans standing outside them and choosing, in accordance with Rationalist Teleology, what future they should unfold. By this move, both Formative and Rationalist Teleology are applied to human action in a way that splits the chooser, governed by Rationalist Teleology, from the chosen, governed by Formative Teleology.

Stacey, Griffin & Shaw, 2000: 184.

My 'instinctive affinity' for Strategic Choice theory could then at least be partially explained by the sense of control this theory exudes by promising to not only know the future, but also persuade others to act in accordance with that knowledge of the future, causing them to 'create the future' in accordance with my/our plans. In understanding organizational life in this way, it then makes sense to 'outthink' competitors, create futures in which organizations and industries get transformed, proactively design and shape value chains and performance manage people against stretch goals linked to these plans.

In my exposure to the work of authors like Stacey, Griffin and Shaw (2000), I am beginning to understand organizational life differently. As an example, I now find it difficult to not

notice the Formative and Rationalist teleological positions evident in the writing of Strategic Choice theorists. (Admittedly, this was not as evident to me when I engaged A, B and C in that particular discussion.) In adhering to Formative and Rationalist Teleology it is possible for authors such as Porter, Prahalad and Hamel to assign ‘ownership’ of significant organizational and even industry changes to specific entities and their strategies. For example, Porter (1996) comments on Southwest Airlines Company, offering ‘short-haul, low-cost, point-to-point service between midsize cities and secondary airports in large cities’ (Porter, 1996: 64); Bic Corporation, selling ‘a narrow line of standard, low-priced pens to virtually all major customer markets’ (ibid: 71) and The Vanguard Group, aligning ‘all activity with its low-cost strategy (ibid: 71). Similarly, Prahalad and Hamel (1994) cite the accomplishments of Charles Schwab, changing the brokerage and mutual fund industry; Apple, creating an entire new industry in personal computers and NEC, exploiting the convergence of the computer and communication industries.

In Strategic Choice theory, these references (often elaborated on in lengthy business cases) are quite common place and often serve to demonstrate how smart strategies, rationally designed and deftly implemented led to dramatic successes in the world of business. What these authors fail to acknowledge is that their account of those ‘good strategies’ (Porter, 1996: 70) are always written in *hindsight*. This vantage point allows them to assume and then embroider on how a (rationally inspired) predetermined, deliberate strategy and plan were (formatively inspired) imposed on ‘an organization’ that dutifully executed that plan. Thus:

Early in the 1970’s, *NEC articulated a strategic intent* to exploit the convergence of computing and communications, what it called “C&C.” ... *Management adopted an appropriate “strategic architecture”* summarized by C&C, and then *communicated its intent to the whole organization* and the outside world during the mid-1970’s. NEC constituted a “C&C Committee” of *top managers to oversee the development* of core products and core competencies. NEC put in place coordination groups and committees that cut across the interests of individual businesses. Consistent with its architecture, *NEC shifted enormous resources* to strengthen its position in components and central processors.

These accounts seldom reflect the emergent quality of how those patterns arose through ‘the detailed, self-organizing process of human interaction’ (Stacey, 2001: 163). On the contrary, it is difficult to ascertain from Porter’s work that there are *any* people involved in organizations at all – e.g. ‘Such *plans* are likely to have overlooked the fundamental purpose of competitive strategy ...’ (Porter, 1985: 25; italics added), ‘The decision by *a firm* to discard ...’ (ibid: 180; italics added), ‘A *business unit* can potentially share any value activity with *another business unit* in the firm, ...’ (ibid: 326; italics added).

Subtle clues in these authors’ work do hint that everything is not as rational, easy and simple as it might appear.

- Taking into account that Porter (1985) seldom admits to the presence of people in organizations, he still devotes a full 100 pages to what he terms ‘horizontal strategy.’ Through this concept, he alludes to the difficulty ‘corporate management’ might have in ‘resolving disputes’ (ibid: 394) amongst business units in a company. He proposes a number of mechanisms to deal with those ‘impediments’ to ‘achieve interrelationships,’ another rational intervention aimed at shaping the organization in line with the desired executive intent.
- Prahalad and Hamel (1994) observe four years after their initial citing of NEC’s “C&C” strategy that ‘the idea of exploiting the convergence between the two industries wove together the thoughts of *many minds* in NEC’ (ibid: 77). Exactly what this ‘weaving together’ implies and how it came about is not attended to by the authors. My personal experience points to this type of weaving to be often inordinately difficult, especially if ‘the idea’ implies huge risks, the shifting of ‘enormous resources’ and other political challenges.
- Little wonder then, that the rather condensed account of NEC’s strategic sojourn with its apparent clear, sequential logic, covered a period from ‘Early in the 1970’s’ (ibid: 80) to 1988 – a period of almost twenty years.

This made me wonder about the nature and extent of the concealed ‘detailed, self-organizing process of human interaction’ that took place over lengthy periods implied in the respective business cases. Certainly, the convergence of computing and communications in NEC’s strategy, the amazing and continuing success of the Bic low-cost pen and the ingenious trade-offs, associated risks and sensitive dependencies that underpins Southwest’s low-cost strategy did not simply appear in someone’s mind one day, was articulated and then communicated to everyone in the organization who then happily proceeded to implement it. Rather, those themes probably emerged over time, patterning the interaction between people in various localities inside and outside the respective organizations, whilst being shaped at the same time.

The issue that I am pointing to is that Strategic Choice theorists attend to themes that emerged over substantial periods of times as if those themes were known and decided on as deliberate strategies in the minds of rational people, standing ‘outside’ an organization, imposing those known and deliberate strategies on the people of that organization, who then dutifully adhered to and executed the plan. Strategic Choice theorists accomplish this by, in hindsight, proposing a highly condensed, rational, aggregated, de-humanized (Elias, 1970) narrative with simplistic causal explanations of how one *thing* led to another *thing*. (The PowerPoint presentation I crafted is a case in point.) These versions of what happened provide everyone with a clear sense of the value of rational strategies and how to go about doing the same thing in other organizations. In doing this, Strategic Choice theorists distract attention from the importance of often protracted, often irrational, context specific, utterly human, iterative patterns of interaction through which, over time, potentially transforming, potentially continuous themes emerge.

To be able to depict rational, formative approaches to organizational change as plausible and valid, Strategic Choice theorists make a subtle, but in my view flawed shift from drawing aggregated, rational conclusions in hindsight to suggesting that aggregated, rational concepts based on foresight are key to the formative unfolding of the future. In doing this, they show a disregard for the complex social processes through which people in organizations engage

with important emerging issues, some of which may in time ‘give rise to changes and patterns that no individual person has planned or created’ (Elias, [1939] 2000: 366). In thinking about strategy in this way, strategy practitioners confuse the informative but limited value of *analytical forecasts* (e.g. expected market growth, anticipated financial growth requirements, etc.) with the *complex social choices* people in companies should make around *what to do next* in order to sustain that company’s survival over time.

CONCLUSION

In this project I have attempted to reflect critically on how the assumptions underpinning Strategic Choice theory, specifically the Rationalist and Formative teleological assumptions evident in this theory, lead to insufficient explanations of what is really happening when people engage in activities of strategic importance. I pointed to how my experience during a particular episode seemed to corroborate much of the criticism leveled at Strategic Choice theory by Stacey (2003). In this regard, the realist positions, the cognitivist and humanistic views on people as well as the view of companies as cybernetic systems were not only evident in my own and other colleagues’ approach to the specific episode, but also led us consistently to unexpected results.

I then focused on one of the cornerstones of Strategic Choice theory, namely competition. In engaging with the notion I concluded that, because of their fixation on competitors and the need to be different and/or to win, Strategic Choice theorists deal too narrowly with the notion of competition. By reflecting on the work of Elias (1970; [1939] 2000), Dalal (2002) and Stacey (2003) interesting and rich perspectives on the pervasiveness of competition open up that lead to more appropriate ways to understand and engage with other potentially competing, potentially colluding organizational participants during episodes of significant change.

Finally, I attempted to demonstrate how Strategic Choice theorists simply attend to the aggregated, rational explanations of a company’s story over time, by implication concealing the complex processes of human communicative interaction that gave rise to any recognizable themes. Simultaneously, Strategic Choice theorists create the illusion that, by

thinking rationally and in aggregated terms about the future, the future can also be formatively unfolded.

Stacey (2003) concludes that Strategic Choice theory ‘provides powerful explanations of and prescriptions for, the predictable, repetitive aspects of organizational life over short time frames into the future.’ (Stacey, 2003: 81). My work on the project has, to my mind, sufficiently demonstrated the shortcomings of Strategic Choice theory during an episode with high interpersonal volatility.

However, I am also left with a sense of incompleteness, as if more needs to be said. Stacey’s (2003) arguments against the rational and formative assumptions of Strategic Choice theorists also triggered in me reactions of difference. In the next project I aim to critically reflect on some of the key dissonances with Stacey’s arguments that I am beginning to register.

PROJECT 3: WHAT STRATEGISTS SEEM TO DO

INTRODUCTION

In Project 2, my critique of Strategic Choice theory was not only a way for me to articulate what I believe the practice of strategy is not, but also a difficult personal exploration of why people find conversations about strategy useful at all.

Through the project, I attempted to metabolize the thinking of Strategic Choice theorists in order to make how I am thinking differently, more pronounced. I ended up with a number of observations; three of which I felt were of specific importance to me:

The first of these was the conclusion that the ‘Strategic Choice interpretation of competition as primarily a motivator for companies to seek to *differentiate* themselves from other *players in an industry* might be too narrow.’ Rather, competition, as a factor that shapes which options people in companies exercise, should be recognized as ‘*a pervasive social phenomenon that manifest in all power relations*’ specifically those amongst colleagues working in the same organization.

The second observation was that, instead of ‘companies *differentiating* themselves from other companies’, what people consistently try to do is to emulate what they think people in other companies are doing. ‘By implication, the continuing attempts by [competing companies] to differentiate themselves from each other are in all probability exceeded by their respective attempts to remain the same.’

The third observation was that ‘Strategic Choice theorists make a subtle, but in my view flawed shift from drawing aggregated, rational conclusions in hindsight to suggesting that aggregated, rational projections based on those retrospective conclusions should be understood as *foresight*. This perspective is then assumed as not only sufficient but also as key to formatively unfold the future in a predictable way.’

What I am pointing to through these observations is not only the limiting and often flawed assumptions of Strategic Choice theorists, but also the need to enhance and deepen the articulation of the view of strategizing as an emergent social conversation amongst people in organizations.

THE RESEARCH QUESTION

In my own organization, the supremacy of Strategic Choice theoretical assumptions is currently reinforced by the introduction of various practices by influential people. This is not a conscious ‘tactic’ on their part – the principles of Strategic Choice theory are largely uncritically assumed as how the world of business works. Thus, conversations that I am involved in on a day to day basis are conducted from these assumptions and any introduction of concepts that allow for more than the rational and formative are treated with relative skepticism.

One implication of this factor is that I have difficulty assimilating the vantage points presented by the complex responsive processes of relating theorists; my participation in the dominant Strategic Choice discourse at work often leaves me highly frustrated and anxious for not being able to meaningfully introduce a different way of talking about what we are doing. It follows then that, in my own practice, I am still finding it extremely difficult to avoid the very pitfalls I described in Project 2. I am constantly involved in discussions about what we should be doing next and/or what we ought to be doing in order to be better at what we do. It is when I engage in those discussions that I find the allure of a perceived end-state and the means-end arguments we use to then plan our actions to ‘close the gap’, particularly persuasive in the way we talk about our work.

In Project 2 I reflected on Stacey’s (2001) countering argument to this rational, formative ideology:

[The] movement of human action is toward an *unknown* future, that is, a future which is under perpetual reconstruction by the movement of *human action* itself

Stacey, 2001: 162 – 163; italics added.

Also:

Strategic direction is not set in advance but understood in hindsight as it is emerging or after it has emerged. This is because small changes can escalate to have enormous consequences, ...

Stacey, 2003: 423.

And finally:

Why do people prepare long-term forecasts if it is impossible to make useful long-term forecasts? Why do they adopt investment-appraisal methods that require detailed quantitative forecasts over long time periods? Complexity theory suggests that it is impossible to make such forecasts so why do people carry on doing it?

Stacey, 2003: 421.

Right now statements like these stir up a multitude of questions within me. I am struggling to reconcile them with my day-to-day experience with colleagues as we think and act around issues affecting what we think should happen next. It is specifically Stacey's statement 'Strategic direction is not set in advance but understood in hindsight ...' (Stacey, 2003: 423) that I would like to take up in more detail. What is implied by 'strategic *direction*'? What does 'not set in advance' mean? Can '*direction*' ever be 'understood *in hindsight*'? Would it be acceptable for Stacey to express our 'intention' in advance? How would that be different from '[setting] direction'? Does Stacey take issue with attempts to predict the 'unknown' future or does his discomfort lie with the reified connotations arising around words like 'direction' and 'setting'. From his immediate explanation ('... because small changes can escalate to have enormous consequences') it would appear to be the former. In other words, engaging in attempts at foresight has limited value. Still, as humans we have difficulty not thinking about what we fear or would like to happen as a way of directing our present actions. Mead (1934) is of the opinion that it is this characteristic, namely 'the control of present behavior in terms of its future consequences, or in terms of future behavior; ...' (ibid: 118) that differentiates human from non-human intelligence.

When ... we speak of reflective conduct we very definitely refer to the presence of the future in terms of ideas. The intelligent man as distinguished from the intelligent animal presents to himself what is going to happen.

Mead, 1934: 119.

Based then on these apparent conflicting positions I would form the initial assumption that how we think and talk about the future (whether in our own silent, inner conversations or when we engage with colleagues around important emerging issues at work) should be further explored specifically within the context of our understanding of strategy as an emergent, social process.

Therefore, in this project I aim to turn my attention to the theory of complex responsive processes of relating and consider critically some of the principles espoused by Stacey (2003) on strategy. My research question therefore is:

- *In which ways do we sensibly and/or not so sensibly bring the future into play when we are busy strategizing?*

THE CONTEXTUAL SETTING

During 2005, XXX purchased a majority share in the company that I am working for. The finalization of the deal and the initial integration priorities to demonstrate the viability of the transaction occupied substantial numbers of people for the best part of the year. A part of the initial activities involved the re-shuffling of our Group Executive Committee to accommodate the agreed quota of XXX Executives. This move brought about a significant movement of executives between portfolios, not only in the Executive Committee but also amongst executives reporting to them. It was only towards the end of 2005 that most of the organizational shuffling had been formalized and people seemed to start to settle down into what for many were new positions, roles and responsibilities.

I work in a division referred to as the retail operations. In this part of the business we aim to serve the financial needs of a wide spectrum of individual customers – from the very poor to the average salary earner to the extremely rich – through as wide a range of

products and services. Our approximately seven million customers are served through comprehensive branch, internet, telephone and Automatic Teller Machine networks. As a way of understanding how best to organize the activities of the retail operations' approximately 13000 staff members, we have developed a set of principles, relative roles and responsibilities through which we hope to see people act in ways that will support our broad strategic intent. We have come to refer to this set of principles, roles and responsibilities as our Operating Model and Governance Principles.

In recent years, the financial services sector has become a highly contested market, not only amongst the few big, local players, but increasingly by smaller, niche players as well as retail companies, offering their customers the convenience of drawing or saving money while buying their groceries. Simultaneously, governmental interventions to make banking accessible to people that were traditionally excluded from receiving banking services, have increased significantly, imposing new rules with very real investment and pricing consequences on the banks. The country's economy has also benefited from the positive trading conditions over the past five years and businesses in the retail sector in particular are experiencing positive growth. Therefore, there are specific expectations on the people heading up our retail operations to ensure the company benefits as much as possible from the current economic conditions.

Accordingly people working in the retail operations are occupying themselves on a day-to-day basis with a wide variety of tasks as they feverishly attempt to live up to these expectations. Some of these tasks relate to what have become the fashionable topics in the industry; some are inspired by the XXX deal while still other tasks relate to the formalizing of recent role changes amongst various role players and their units within the business. Many people with varied histories and organizational standings engage each other daily around those and other tasks, interests, hope and fears.

This is the organizational context in which I work. It is then also within this context that I am considering the apparent conflicting positions by Stacey (the impossibility of useful

forecasts) and Mead (the intelligent man presenting to himself what is going to happen) and what that would imply for the way in which I engage others around strategy.

KEY THEORETICAL CONSTRUCTS

In engaging with this project I will assume that I have sufficiently demonstrated in Project 2 that I do not consciously subscribe to the notion of foresight as applied by strategic choice theorists. Specifically, my observation that these theorists ‘make a subtle, but in my view flawed shift from drawing aggregated, rational conclusions in hindsight to suggesting that aggregated, rational projections of those retrospective conclusions should be understood as *foresight*’ should indicate that the debate I am entering into is not about critiquing the inappropriateness of linear attempts at predictive foresight. What I am attempting to understand is how and why people call on their sensing of the future in their attempts to grapple with what to do next and engaging others and themselves in reflexive conversations around strategy or in the words of Stacey (2003), important emerging issues.

The Time Structure of the Living Present

By implication, I will attend to the notion of the future from ‘the time structure of a living present’ (Shaw, 2002) as expressed by Hegel, taken up by, amongst others, Mead (1934) and Shotter (1994) and expanded upon by Stacey, Griffin and Shaw (2000), Stacey (2001) and Griffin (2002).

Stacey et al (2000) reflected on the paradoxical nature of the time structure of action where:

... the future is changing the past just as the past is changing the future. In terms of meaning the future changes the past and the past changes the future and meaning lies not at a single point in the present but in the circular process of the present in which there is the potential for transformation as well as repetition.

Stacey, et al, 2000: 35.

To come to grips with the circular, paradoxical nature of this time structure, one might think of a micro-temporal structure of the present (as opposed to a macro-temporal structure flowing linearly from past to present to future) where this present has, almost

fractal like, a micro-past, a micro-present and a micro-future. This micro-temporal structure is the gesture and the response the gesture calls forth, taken together.

The here-and-now, then, has a circular temporal structure because the gesture takes its meaning from the response (micro-future) which only has meaning in relation to the gesture (the micro-past), and the response in turn acts back to potentially change the gesture (micro-past). The experience of meaning is occurring in a micro-present and it accounts for the fact that we can experience presentness.

Stacey, et al, 2000: 35.

Put differently:

We find ourselves recognizing the meaning of what we are saying as we speak into the response of others and, as we do this, the meaning of what we are saying may well be transforming.

Stacey et al, 2000: 33.

Stacey et al (2000) argued that it is in this micro temporal structure of the present that the circular back-and-forth gesturing-responding can be truly transforming or simply repeat what has always happened. So even though we, during those micro moments of gesture-response, cannot know what will happen, the exchange is also instantly recognizable. It is then through this emerging process that identity is potentially confirmed and potentially transformed, both at the same time.

An important implication of this temporal structure of the living present is that, due to its interactive communicative nature taking the form of gesture-response between living bodies, this inter-action is of a local nature. In other words, whatever themes should emerge from the turn-taking/turn-making, gesture-response between people in the living present, those themes have reality only to those who are interacting (Stacey, 2001). 'Themes do not exist outside of bodily interaction and bodily interaction has to be local.' (Stacey, 2001: 174). Stacey (2001) acknowledges the impact of technological communicative tools that may take the form of global systems.

Griffin (2002) positions the notion of the living present as very different from temporal perspectives by which people tend to view the past, present and future as separable, often in an attempt to utilize our memory of the past in attempts to take control of the future. In doing this, we have to view time as linearly moving from, what then becomes a fixed, state-like past to an unfolding, controllable future, without acknowledging that we are continuously constructing both future and past in the present. Mead's notion of the 'specious present' is derived from his understanding of the development of mind:

... because humans have a unique capacity to call forth in themselves the attitudes of the other *they can know what they are doing*. Knowing what one is doing immediately incorporates anticipation and expectation into the action of the present and it also immediately incorporates reconstructions of actions past, or memory, all as the basis of acting in the present.

Griffin, 2002: 184; italics added.

The significance of this particular perspective on the structure of time becomes even more apparent when considering the following reflection of Griffin (2002) in which he contrasts the dominant temporal approach amongst modern day managers with the implications of the micro-temporal, circular structure of the 'living present':

The future is much spoken of in the present, but only in terms of themes of control and intentional change. For this to be achieved the future must be reduced to simple aspects that can be manipulated to determine the present. This is very different to the notion of the living present in which the future, as expectation and anticipation, is in the detail of actual interactions taking place now, as is the past as reconstructions in this process of memory.

Griffin, 2002: 185.

It is in attempting to articulate the strange and elusive nature of this awareness that Shotter (1994) refers to the knowledge arising in this recursive micro-structure of relating as 'knowing-from-within' or 'more properly ... embodied knowledge.' (Shotter, 1994: 2). Unlike the theoretical or technical knowledge people may 'have', this type of knowing only appears within the act of relating; 'in the process of our talk.' (ibid: 2). This 'embodied knowledge' is evident in the preciseness of our gestures (even if and especially when

unconscious) towards each other in the way we intonate, pace, pitch and pause our interactions toward each other as accurate reflections of the ongoing construction of those relationships (Shotter, 1994). It is literally in these ongoing exchanges that Shotter (1994) observes life forms taking shape and being allowed or disallowed to continue. Shotter then concurs with Bernstein when the latter reflects on this knowledge as ‘knowledge not detached from our being but determinative of what we are’ (Bernstein, 1992: 25 in Shotter, 1994: 2).

Following Griffin’s (2002) argument about the emergence of ethics in the every-day conversations amongst people, it follows that this micro-temporal structure is the context in which the ethical evolution of organizations happens:

The process is one in which people negotiate and account for their immediate actions to each other in ordinary conversation ... This is simultaneously a process of sustaining and shifting ordinary, everyday power relations and judgments on good conduct.

Griffin, 2002: 169,170.

Understanding what Stacey, Griffin and Shaw meant when they posited the notion of the living present appears to be key in any discussion around how we bring the future into our conversations. Their mentioning, almost in passing, of a ‘macro-temporal structure from past to present to future’ (Stacey et al, 2000: 35) leaves me unclear about how this notion is to be understood relative to the notion of the micro-temporal structure of the living present. Did they intend such a perspective to be taken as arising thematically through the micro-temporal experiences of the living present? Or are they implying that our lived experience can be reflected on from two vantage points – one micro and one macro? In describing the macro-temporal structure as (apparently) moving linearly ‘from past to present to future’, the paradoxical quality of Hegel’s understanding of time certainly appears to be somewhat obscured. If we attempt to, at anytime, think about the macro-temporal structure as ‘longer’ (or what would macro imply differently?) than the fractal like momentary movements implied in the micro view, the present tends to become increasingly compressed by a seemingly expanding past and future, leaving ‘it’ with little or no time structure to reflect

on meaningfully. In such a macro state of consideration, the allure of both the formative and rationalist positions, where meaning is located in either the past or the future, becomes increasingly appealing.

Intention and Intentionality

Of similar importance to understanding my intention with my research question is stating my position with regards the notions of choice, intention and emergence. Again, I do not consciously subscribe to the sweeping aspirations of strategic choice or other systemic practitioners who believe that leaders can choose markets and then deliberately bring about large scale changes across organizations that eventually will result in their successful participation in those markets. Within Strategic Choice theory, the concept ‘intent’ and ‘intention’ is seldom reflected on but regularly used in a reified combination with the word ‘strategic’, i.e. ‘strategic intent.’ With this expression Strategic Choice theorists usually imply the formally stated and presumed collective strategic aspiration of ‘organizations’ often expressed in the form of the official ‘Vision’ and/or ‘Mission’ statements. Stacey (2003) concludes that the formation of intention is simply assumed by Strategic Choice theorists and not treated as problematic at all. If we subscribe to the notion of a living present, we cannot deal with any attempt at foresight with such a simplistic, predictive expectation. How are we then to engage sensibly with the future while participating responsibly in the circular process of the living present?

During the course of my writing of Project 2, I have become increasingly intrigued by the notion of ‘intention’. At first glance, the term suggested to me a pointing towards, what I presumed to be, the future. Also, the term would allow for a socially rich interpretation of strategic activity rather than the socially depleted character of terms such as ‘forecast’, ‘end-state’ and so on. I have subsequently started to pay closer attention to references in the literature by authors to ‘intention’ in an attempt to move my own thinking about and utilization of the word to a more considered level.

Early in those explorations, my attention was drawn to the difference between the notions of ‘intention’ and ‘intentionality.’ Griffin, Shaw and Stacey (1999) draw on the work of

Brentano (1874) and Polanyi and Prosch (1975) to accentuate the specific application of the term ‘intentionality’.

The very nature of consciousness is that it is intentional, that is directed towards an *inner* object. It *attends from* an historically and ethically rooted present context *to* goals that are spontaneously arising as the basis of next actions, which are also reflexively constituting the historical/ethical context *from* which consciousness is attending. Intentionality is a process of from-to and simultaneously to-from ... This is a conscious *act*, which means for Brentano and Polanyi that ‘all knowing is *action*’.

Griffin, et al, 1999: 3.

Implied then in the notion of intentionality is a broader understanding of the movement *towards* than my initial idea of movement towards the future. Of particular importance is also the idea that the process of intentionality implies movement *from*, namely the historical and ethical context from which people are attending towards. This movement is however, recursive/circular/reflexive in that consciousness is also, at the same time, attending and changing the historical and ethical context from which it attended. Already then, the term ‘intentionality’ forcefully introduces the micro-temporal structure of the living present into the debate.

For Mead (1934), in an essay in which he built on an ethical theory on social principles, intention was as central to the notion of moral action than the position taken by Griffin et al (1999):

You do have to bring the end into your intention, into your attitude. You can, at every stage of the act, be acting with reference to the end: and you can embody the end in the steps that you are immediately taking. That is the difference between meaning well and having the right intention. ... A person who is taking all the steps to bring about a result sees the result in the steps. It is that which makes one moral or immoral, and distinguishes between a man who really means to do what he says he is going to do, and one who merely ‘means well’.

Mead, 1934: 383.

In this passage, Mead suggested that an envisaged picture of the end moves reflexively with the intentions emerging between people. As they continue to act with reference to that intended, albeit evolving end, a sense of moral coherence develops as what each person is seen to be doing, coincides with and affirms what he/she said he/she was intending to do.

By acknowledging these arguments, I aimed to position the term ‘intention’ within a broader frame of reference, pointed to by Searle (1983) when he draws an explicit distinction between ‘intention’ and intentionality’:

... intending to do something is just one form of Intentionality along with belief, hope, fear, desire, and lots of others;

Searle, 1983: 3.

This context will remain important and appropriate as I now start to attend more specifically to the ‘intending to do something’ meaning of the term, intention. More to the point, in my own practice I am concerned with what is going on when people ‘intend to do something *strategically* important.’

Stacey (2003) refers to ‘intention’ regularly as he reflects on strategy from a complex responsive processes of relating perspective. Turning to intention specifically, he argues as follows:

The question arises as to where intention comes from? Intentions emerge in relationship just as any other organizing theme does. Intention ... emerges in the conversational life of a group of people. A single individual does not simply ‘have’ an intention. Rather, the intention an individual *expresses* has emerged in the conversational interaction with others. Intention and choice are not lonely acts but themes organized by and organizing relationships at the same time.

Stacey, 2003: 352; italics added.

In viewing intentions as organizing themes emerging in conversational interaction between people, Stacey expands the application of intention as an organizing factor beyond the

static version employed by strategic choice theorists. Importantly though, linked recursively to the notion of intentions, as with other propositional themes such as desires and aspirations, is the notion of ideology. Stacey (2005) concurs with Dalal (1998) in concluding that it is based on their ideological convictions that people form desires and intentions and exercise choices to act in certain ways. In this context, Dalal (1998) defines ideology as:

[the] means of preserving the current social order by making it seem natural, unquestionable, by convincing all the participants that it is so.

Dalal, 1998: 116.

Stacey (2005) holds that:

Together the voluntary compulsion of values and the obligatory restriction of norms constitute *ideology*.

Stacey, 2005:9.

If ideology is constituted by values and norms, then I need to reflect on Mead's (1923) notions of cult and functionalized values as taken up by Griffin (2002). The process by which members of a society would constitute a cult is one of 'individualizing a collective and treating it "as if" it had overriding motives or values. ... The members of such a cult found their behavior driven by the cult's values.' (Griffin, 2002: 115). While initially (in an attempt to come to grips with the atrocities of the First World War) linking the notion of 'cult values' to negative ideals only, Mead subsequently recognized that the notion also related to positive ideals, thereby generalizing the influence of cult values in the understanding of social interaction. (Griffin, 2002). The relevance of cult values to my own inquiry becomes obvious when, in following Griffin, we consider how Mead related the functionalization of cult values to the temporal structure of the present. Mead argued as follows:

The cult value of the institution is legitimate only when the social order for which it stands is hopelessly ideal.... There are no absolute values. There are only values which, on account of incomplete social organization, we cannot as yet estimate ...

Mead: 1923: 238.

Based on this assertion it then follows that the cult value remains incomplete and is only continually functionalized in ordinary everyday interaction between people in ways we ‘cannot as yet [or perhaps ever] estimate.’ Griffin concludes:

This is how people are continuously constructing the future. But this does not in any way suggest that they are not acting with intention. Just as they are being formed by the structures, they are also forming intentions on the basis of the cult values they have from their past, ‘the most precious part of social heritage’, in order to shape social action, that is, the constructing of the future in the movement of the present.

Griffin, 2002: 189.

Considering ideology as a basis for the emergence of intentions between people seems then inescapable. It would however be prudent to warn against a simplistic assumed causality of an idealized ideological position, *causing* people to behave in a certain way. Rather, it is in the repeated instances of people functionalizing those idealized positions through the ‘conflictual conversation of gestures and responses as the living present’ (Griffin, 2002: 190) that ‘[they] are continuously constructing the future.’ (ibid: 189). Similarly, Stacey points to ‘... ideology as a mutually constructed conversation that is continually repeated, not a “thing” that is shared or stored.’ (Stacey, 2003: 325).

Turning to Joas (1996), the value of conversations about emerging intentions becomes even more explicit as he points to the temporal ‘locality’ of aspirations and goals.

The conception of goals as anticipated future states does not describe adequately their role in the present action precisely because, as anticipations, they belong to the present.

Joas, 1996: 154, reflecting on Dewey.

Intentions emerge in conversational interaction between people, in the micro-temporal structure of the living present, where those intentions and associated choices shape the

activity people engage in as they attempt to bring further particularization to their evolving intentions.

In the fifth edition of his book, *Strategic Management and Organizational Dynamics* (2007), Stacey reflects on the implications of Elias' thinking around the non-polarization of emergence and intention and how these two factors are at play rather than being opposed by or subordinated to the other. He then concludes that:

...organizational strategies emerge unpredictably *in the interplay of many different intentions* and, as such, emergence is not a matter of chance.

Stacey, 2007: 250; italics added.

This leads me to a final comment on the nature of intentions as it affects the rest of this inquiry. To the point that 'the interplay of intentions' contribute to the *unpredictable* emergence of organizational strategies, I would argue that that is so also because of the *thematic* nature of intentions, leaving 'them' always in a state of relative generalization in need of particularization (Stacey, 2005) when the next conversational opportunity arises between people. Those subsequent conversational opportunities in which further particularization could occur could therefore see the intentions continue along logically consistent lines or be transformed in completely unpredictable ways due to the recognizable but unpredictable spontaneity of people interacting in the living present.

So, in moving forward with the inquiry, I would want to guard against the reification *in my own mind* of concepts such as 'the interplay of many different intentions'. I seemed to have found immediate resonance with this phrase and therefore run the risk of becoming enthralled with the phrase instead of with the meaning of the phrase. This still refers to the messy everyday exchanges between people in both the legitimate and shadow themes organizing relationships in companies. To avoid the risk of merely subscribing to abstracted notions such as 'the interplay of many intentions' I would like to narrate episodes from my daily work life in an attempt to increase my understanding of what actually happens and what that might mean. What does 'the interplay of many different

intentions' look like and how do organizational strategies emerge during such interplay? Is it at all possible to narrate the experience of these processes of spontaneous self-organization? And would such a reflection lead to anything useful or will it be seen as common-sensical?

FORESIGHT, THE LIVING PRESENT AND THE INTERPLAY OF INTENTIONS

'Pre'-Amble to the Narratives – Written Post and During the Fact

In the following paragraphs I am attempting to relate a number of episodes spanning a number of years that in some or other way portray the evolution of intentions between people as they engage each other around important emerging issues. Through these episodes, I am attempting to firstly, remember the intentions and choices that emerged in the interaction of large numbers of people in my company as we tried to assume an organizational pattern (referred to as the Operating Model) aimed at transforming our company into a 'customer centric' organization. My reason for selecting an episode that emerged over an extended period is to reflect on the official intentions expressed at the outset and then sustained during the 'implementation phase' of the process. I am then, on reflection, trying to understand what actually happened by applying the lenses of the living present and the interplay of intentions as discussed above. In the second episode, I am reflecting on the continuing interplay of intentions as we seem to be still engaged in the process of particularizing our generalized ideal of a customer centric organization. In this episode I am attempting to pay closer attention to my own experience in the movement of the living present.

Also, in reflecting on these episodes with my supervisor and learning set members, I was alerted to the temporal structure of *this* project – how I am constantly oscillating across the apparent linear structure of the project's introduction/front, middle and conclusion/end; constantly tweaking and adding to the theoretical departure points as apparent gaps open up in the narrating of the episodes; constantly adding to and rewriting the narratives as perspectives emerge that cast my memories and expectations along different lines. In all of

this I am constantly attempting to keep ‘things’ orderly and sequential when actually, nothing seems to follow that flow. So, in the writing of this project, I am experiencing the very interplay of intentions in the fleeting, moving experiences that is the living present – my and other’s emerging and evolving expectations, the constant returning to/reconfiguring of the past/the written and always the thinking/writing/thinking construction of the future.

Episode 1: Operating Model and Governance Principles

The context

As stated above, one of my key responsibilities is to continually monitor the effectiveness and propose changes to what has become known as our operating model and governance principles. With these terms we refer to the way we arrange our business in specific business and supporting or specialist units as well as the principles underpinning the relative interdependencies amongst these units. Our operating model became topical during the last years of the nineties and culminated in a major revision of the operating model during 2000 and 2001. Four other colleagues and I were then only recently appointed as the new strategists of the organization. As reflected on in Project 1, our theoretical assumptions in developing the various frameworks and models were steeped in strategic choice theory.

When initially conceptualized during 2000/2001, our intention, or generalized ideal with the operating model was to adopt a customer centric position in the way we organize our internal processes and activities. This intention emerged during an episode of intense deliberations between our executive team, a consulting team from the United States, our own team as well as other members of specialist units (e.g. project managers, marketers, etc). According to the initially agreed upon concept, our picture of a preferred future state of our retail operations would comprise the following:

- four market/segment business units,
- three product business units,
- an integrated delivery business unit;
- an array of specialist functions supporting the respective business units in the areas of human resources, finance, marketing information technology and so on.

Our intention with this specific design stemmed from where we concluded the future of banking was moving. According to the consulting team, success would follow those organizations who managed to match the rise of consumerism with an uncanny responsiveness to customer needs. The latter would be achieved through the advances in customer information management technology and an organizational design that enables the manufacturing and delivery of products and services to those customers. By establishing segment business units we were hoping to create a high awareness within our operations and a corresponding responsiveness in our processes to where customer preferences were shifting. Also, this way of organizing would move our aspirations from a high volume, product punting approach with little regard for customer retention and expansion to a bigger emphasis on the sustained profitability of our retail customer base through the pursuit of, amongst other focuses, cross-selling and non-interest income. The four segment business units would target different identified markets segments. Our product business units would have a very specific product bias; thus we established a business unit focused on **mortgages**, one focused on the (credit) **card** market and one focused on the **financing of vehicles and other movable assets**. Finally, the people working for the delivery business unit were responsible for the efficient delivery of all the products and services to all customers through our extensive **branch, telephone, internet and ATM networks**. This way of organizing presented us with a high degree of complex integration issues, requiring executives to balance their own business unit aspirations with advances from other business unit heads on the same customer sets and often while dependent on the same specialist or delivery resources. With each business unit accountable for its own performance on specific product sets, the level of internal competition soon proved to be a constant challenge, resulting in lower than expected cross-sell ratios and other envisaged synergies.

In bringing about segment business units, we introduced a new set of roles to our social and political landscape. While the product and delivery unit members could still recognize their businesses and accountabilities from the previous configuration, the segment players were expected to bring a new approach to our business to bear, namely that of custodian to the

different customer sets. Those units were responsible to determine the primary offerings in respect of products, services and distribution for each of their respective markets. In determining the actual offering to their specific market, the segment business units had the official mandate to exercise choices that can materially affect the business opportunities of other business units, i.e. the so-called Product business units as well as the Delivery business units. In assuming that role, they, more than the other units, came to represent our generalized ideal with the operating model, namely creating sustainable value through the pursuit of customer centricity.

As Stacey (2005) commented however, the particularization of the generalized idealizations we create inevitably involves conflict. At the time, as we were busy constructing the conceptual design of the operating model in 2000, I remember often feeling overwhelmed by the sheer magnitude of what we were trying to describe. Also, I then only recently started to engage with the ‘business issues’ as opposed to the so-called ‘soft issues’ of team building and leadership development that occupied me in my previous role. Therefore, I had difficulty understanding the relevance of the hotly debated ‘business’ issues between people vying for the leadership positions in the newly established units. Particularly two questions led to numerous debates that somehow never reached any satisfactory conclusions, namely:

1. Who owns the customer?
2. Who owns the balance sheet?

What made it difficult for me to understand the relevance of the question on customer ownership was that everyone seemed to be in agreement that in a customer centric organization, ‘nobody owns the customer; rather, the customer chooses.’ Also, in a customer centric organization, the balance sheet should reflect the growth achieved in the targeted markets – thus the balance sheet should reflect the business performance of the respective segment units. However, due to the difficulties expected to reflect business performance across various products (as would have to be the case if the performance across a customer segment was to be measured) our financial systems were only being marginally adapted and thus continue to reflect product performance rather than the performance of specific customer markets. Now, in retrospect, I will suggest that those two

questions represented the battle for dominance and control of resources between the various leaders or as Elias ([1939] 2000) reflected:

‘[the] struggle among many for resources not yet monopolized by any individual or small group. Each social monopoly is preceded by this kind of free elimination contest; each such contest tends towards monopoly.’

Elias, [1939] 2000: 274.

What transpired was that the official ‘ownership of customers’ came to mean relatively little at the time. As expected, customers could not be owned. Consequently, despite the segment unit leaders claiming ownership and by implication regulation of access to customer information, as it turned out, members of various business units were accessing customer information and ultimately the customers, at will. By doing that, business unit executives and employees were doing whatever was required to achieve their product sales targets through promotional campaigns even if it meant that the same customers were contacted repeatedly by people representing different parts of our organization. In effect then, despite the widely talked about intention of establishing a customer centric organization, we were still selling as many products as we possibly could, regardless of the value those activities might hold for either the customers or the organization.

The ownership of consequence proved to be the ownership of the balance sheet – by assuming balance sheet responsibility for specific revenue streams (the latter could only be derived from products or services and not from claiming ownership of the customer base), access to money and resources became easier. This twist resulted in the segment unit executives desperately clinging on to whatever products were not already assigned to the product business units, e.g. savings products, loan products and transactional products.

So after four years, we were left with essentially six product business units: three officially and three – the different segment business units – un-officially. Again, our much talked about customer centric strategic intention, supposed to be facilitated through the operating model and governance principle has manifested in a way markedly different than what we initially expected. Of particular importance in bringing about the manifested pattern were

the less official but highly emotive conversations about ownership of the balance sheet. The resolution that would see us leave balance sheet ownership assigned to product owners certainly did not flow rationally from the conceptual intention of the operating model but was somehow never challenged.

How, within the constraints of this inquiry, am I then to understand our apparent failure to bring about our formally expressed intention of customer centricity? One way of interpreting what happened would be to understand the events as they happened as the particularization of a generalized ideal (Stacey, 2005). Officially, the generalized ideal could be seen as the intention to put the customer first and then reap the benefits of valuable, profitable relationships with our customers. According to Stacey (2005), in particularizing this generalized ideal of a customer centric organization, people would then engage, simultaneously in ‘processes of communicative interaction, power relating and ideological evaluation in which individual selves/identities and the global patterns of the social emerge at the same time.’ (Stacey, 2005: 10). Reflecting back on my own experience at the time, I am left with a sense of being caught looking at the wrong stuff:

Conversational Interaction

As a member of the team that worked closely with the subject matter experts flown in from the USA, I was privy to ongoing *conversations* around ‘best practices from around the world’. Those conversations convinced me of the long term necessity of implementing the idealized operating model, as narrated by those experts. Based on the emergent meaning we were developing in our understanding of the ideal, we (as the strategy team) engaged players across the organization in small and large meetings. During those meetings, the nature of the design as well as the implications on work processes and responsibilities were debated. From the agreements reached during those discussions, our team continued to add to and adapt two primary documents – one depicting the operating model and the other, the governance principles. Those documents became the focus of our attention – as the documents started to assume the status of sanctioned representations of what we were hoping to achieve, we started to grow impatient with conversations that challenged that ideal. Too soon perhaps, we brought the particularization opportunities to be had through

conversation to a close by moving to get executive sign-off on those documents as officially representing the desired ‘end-state.’ The formal acceptance of those two documents as representing the ideal were not a distinct event – it happened over time and as one of many efforts happening simultaneously. But as the acceptance of those depictions amongst the powerful leaders grew, certain members expressing opposing views became subdued and their points of view increasingly entered the realm of gossip and shadow themes from where they continued to influence the emerging patterns. The official particularization of certain intentions became increasingly constrained while those intentions reflected in the officially approved documents became the focus of the formal particularizing conversations. In attempting then to understand what actually happened I am concluding that, at least in part, we seemed to have moved too early past the conflictual particularization of specific themes. By not pursuing the veiled and obscured issues (e.g. the implications of customer and balance sheet ownership) in the conversational reality of the living present, we were left with significant diverging interpretations of what the official intention might imply for people’s own continuing realities.

The Shifting of the Balance of Power

At the same time, as the new operating model assignment was our first in our new role as strategists, our team was desperate to make a success of this effort. Our appointment to the role of strategists was contested politically by a number of other specialists, specifically the individuals formerly responsible for the strategy function who were now expected to work with us in a complimentary role. Our sudden access to the American experts and all the top ranking officials of the organization at a daily rate were disrupting the established *balance of power* between us and those specialists. As the significant impact of the effort became clear, the power relations between us and the company’s executives also started to tilt. Due to our highly reciprocally supportive relationship with the then Chief Executive Officer, we remained quite ignorant of the animosity with which a number of executives viewed our ability to influence proceedings. On a number of occasions, those feelings were expressed, but mostly our relational proximity to the CEO kept our opponents’ resistance to the realm of shadow themes. In all of those relational tensions, the idealized model became one of

our primary power differentials – we knew how this was supposed to work and were in a position to evaluate the ‘other’ on their ability to show similar understanding.

Personally, my own visibility during the process was high and I featured regularly in presenting specific positions or facilitating and coordinating discussions and work sessions. Inevitably, my own aspirations, ideals and ultimately identity became largely intertwined with the intention of making the proposed changes to the operating model happen. Looking back, that phase was a significant period in re-defining my identity and role in the company. After the operating model work, I would be firmly established as one of the people responsible for the development of strategies for specific business units. Also, my responsibilities would invariably include the ongoing verification of the suitability of the operating model.

Similarly, the relative power relations between many other people were shifting. The approval of the proposed changes to the operating model in October 2000 meant that at least seven new Managing Executives had to be appointed. Those appointments came from the ranks of a younger generation than the bulk of the incumbent executives at the time. Suddenly, the balance of power was swinging dramatically to the young executives, each desperate to lay claim to as many resources as possible. Two incidents in particular will corroborate this hypothesis:

- A was intimately involved in the conceptualization of the business case aimed at proving the viability of an *affluent market* segment business unit. A marketer by profession, A exuded high levels of authority, energy and an uncompromising approach to getting things done his way. On presenting a highly lucrative case for the establishment of such a business unit, he proved to be the best suited to head up the new business. He accepted ‘reluctantly’, but on a number of conditions that challenged the agreed upon governance principles. In essence, A argued, the customers in this market deserved such specialized and personalized service that he would have to have direct control of all his required resources – own customer facing staff, dedicated marketing and credit staff, separate suites to meet and deal with customers, and so on and so on. This directly contravened the principle of sharing those generic services, a

strategy aimed at containing costs. All those conditions were accepted. Gossip and passage talk soon started that typified that business unit as ‘wasting money’, ‘more talk than action’, ‘all show and little performance’ etc. In functionalizing the generalized ideal of a business unit for the affluent market, A and his team appeared to be spending an enormous effort in differentiating themselves from the rest of the retail staff. In contrast, their ability to fulfill their official strategic intentions of differentiating the company’s offering to the affluent customer segment remained clouded in controversy. Their apparent lack of performance was usually defended with technical arguments like the movements of customers in and out of ‘their customer base’ or the intangible value they created by retaining valuable customers. Their inability to deliver the promised personalized service to their customers also became another shadow theme that started to haunt the respective segment business units as time past.

- As the newly appointed managing executive of the segment business unit responsible for our middle market growth, B was left with primarily the responsibility of crafting interesting strategies for the middle market customers and, as mentioned above, balance sheet accountability for the savings, loan and transactional products. For an experienced banker like B, the challenge probably appeared rather insignificant. Also, B had to rely on the sales and service delivery of the centralized delivery business unit, selling and servicing on behalf of most of the respective business units – both product and segment. This design aimed to bring efficiencies to one of the most costly aspects of our business – that of people. So instead of every business unit providing for their own sales and service staff, the delivery business unit was supposed to do that on behalf of all the other units. Within five months of implementation B managed to persuade the Group Executive responsible for retail operations that it would be in everybody’s best interest to have the sales people ‘stripped out’ of the delivery business unit and moved into his own structure, thus laying claim to an additional three thousand people. According to B, it was impossible for an executive to take accountability for certain sales targets if the people selling were not reporting to that executive. B was quick to assure everyone that, when reporting to him, he will somehow see to the sales people doing justice to everyone else’s targets – a feat not possible according to B in the dispensation he was challenging. In bringing this change about, B immediately expanded his influence on

what got sold. It did not take long for rumors to emerge that the sales people first attended to selling the products in B's portfolio before attending to any other products with any sense of urgency.

Through the complex emergence of new forms of power relating between people, our attempts at particularizing the generalized ideal started to manifest in unexpected ways, almost right from the start. As much as we were cloaking our own intentions in the ideological higher ground of the generalized ideal (obtained first hand from the US experts), other protagonists were as adept to tilt the ratios of power in their favor through seemingly small deviations from that ideal. On reflection, I recall the sense of quiet, resigned collusion amongst all in observing the slow but steady erosion of the principles underpinning the initial ideal. On his final departure back to America, one of the consultants pulled me aside and almost pleaded with me: 'Tinus,' he said, 'don't let them dilute the design.' Right now, I have no idea how anyone could stop that from happening.

Ideology ... Adapted

Finally, let me consider the working of ideology in the particularization of our customer centric intention. If we assume ideology to be the means through which the current social order is made to seem natural (Dalal, 1998) and if ideology is constituted by values and norms (Stacey, 2005) and if we are continuously, through ordinary interaction, constructing the future by functionalizing the hopeless ideal represented in our cult value/s in the movement of the living present (Griffin, 2002) then we can relate the intention of customer centricity to the introduction of a new (cult) value constituting a shift in the dominant ideology amongst the people of my company

Certainly, the functionalization of the cult value of customer centricity manifested in very different interpretations: some people viewed customer centricity as a means to make more money from customers; other interpreted this as complying with every customer demand, regardless of how valuable that customer was for the bank; still other viewed customer centricity as a movement away from a commodity and volume driven approach to relating in more personal and intimate ways with each customer. As a new-comer to the business, C

was appointed to head up a segment business unit with close to three million customers. In establishing himself as the new leader, he embarked on a country-wide ‘road-show’ announcing his aspiration to turn the business into a truly customer-centric operation. To achieve this, he proposed that our sales people should begin to spend much more time with each customer, offer them coffee, find out their needs and so on and so on. Almost immediately, sales volumes tumbled – it took a two month long concerted effort by senior management to re-interpret what he said to mean a balanced approach between selling and caring for the customers. This type of episode reflected the conflict that arises inevitably in the process of functionalizing the cult value (Stacey, 2003).

More interesting though is the conflict that arose between different ideological positions, namely between the newly introduced value of customer centricity and the accepted norm or obligatory restriction (Stacey, 2005) of business volume. The notion of customer centricity posed a serious challenge to the well-established norm that retail banking is all about sales volumes. According to the new customer centric ideology huge business volumes can still be dead and lifeless; a successful enterprise should be obsessed with valuable, profitable business volumes. Thus, the best way to derive monetary value in a volume business is to take a keen interest in what customers viewed as valuable and would be willing to pay a premium for to have or experience.

As the newly appointed strategy team, the argument for customer centricity presented by the US experts and authors like Slywotzky and Morrison (2001) was clear and compelling; thus we had little appreciation for the ideological struggle that was about to ensue. What we had little appreciation for was the ruling idea (unquestioned and deemed as completely natural) that business success was directly related to pure business volumes. This ideology was reflected in how executives accounted for performance, how they marketed, how they sold, how they rewarded and how they shamed and ridiculed. Apart from not being able to gauge business value or profitability at the time, the accrual of business value at the potential cost of business volumes was simply too risky and anxiety producing for the respective executives. No matter how appropriate a value driven tactic or strategy might

have appeared, the moment business volumes started to decline, panic ensued and leaders reverted to the tried and tested, indiscriminate, volume generating business practices.

My hypothesis is that in time, the *normative, obligatory requirements* of the customer centric ideology was never accepted but increasingly *interpreted* as (the exemplary value) to be ‘good’ to our customers. At the same time, business volume remained the norm thus resulting in an adapted but not transformed ideology.

Episode 2: Taking up the Role

Since the initial implementation of the operating model recounted above, many changes have come about – people moved between positions and out of the organization at an alarming rate, leaving the new incumbents and their teams to continue the particularization process in often very different ways. Throughout, the role and survival of the segment business units remained contentious. Ironically, these units were the ones that I associated most with representing our ideological shift, yet their members continued to struggle for recognition. Towards the beginning of 2005, three managing executives were promoted to the Group Executive Committee. D was appointed to head up all delivery capabilities; C was appointed as head of our wealth and affluent businesses and E was to lead the remaining three segment business units – mass, middle and small business markets. Amidst the turmoil of the XXX deal, we initiated another review of the operating model. As the second exercise of its kind since the inception of the model in 2000, we were aiming to strengthen some of the original principles and do away with a number of obvious over-elaborations and duplications that have become apparent over the past two years. Specifically, the number of executive meetings and attendees were getting out of hand.

I led an initial round of discussions to decide on the most likely list of activities that we should embark on. I documented my findings and submitted my proposals to the Executive Committee of the retail operations. In the document, I reiterated my position that we should think of our business as serving primarily four markets. I suggested that our financial reporting should be adapted to reflect our performance in those markets as the measurement of significance while the product houses as well as the delivery business unit

should take their cue in terms of new product and service developments from the segment units. In the proposal I suggested a set of reduced meetings with reduced membership between the various units to coordinate activities (e.g. new developments, marketing campaigns and sales priorities). Following intense deliberations, the proposal was accepted.

Within weeks it became clear to me that E was focused on utilizing the renewed attention on the operating model and the implied significance of the segment units to improve his and his people's relevance amongst their peers. During a period of approximately three months E and his immediate reports engaged each other in intense debates in an attempt to clarify and confirm their approach and role in business.

At the end of those deliberations, E called for a meeting with their delivery counter parts to 'align our understanding of the roles of delivery and segment.' He approached me to also attend and play a facilitating role during the session. I immediately accepted but suggested that we rather treat the session as a business meeting with him leading the session as he would any other meeting. He concurred. I was excited about the prospect of arguing the case of a segment led model with members of the delivery environment –in particular F, a XXX executive that was hugely critical of the segment component of the operating model. I resisted the facilitation request because I did not see the necessity for that and also felt that it may constrain my ability to freely express my point of view. Of particular interest here is the fact that E opted not to invite the respective product unit heads to the meeting.

Although I suggested that he should invite them, he made a dismissive remark about the two people implied and kept to his decision. From this, a number of assumptions can be made with regards E's objectives with the meeting: Firstly, he must have concluded that an early alliance with D's delivery people is an important way to ensure the relevance of the segment people in the business. Admittedly, it is through the delivery people that all business with customers occurs, so if he could secure a productive working relationship with them, he would be able to influence a critical part of the business. Secondly, he was hoping to counter the mounting animosity by the product executives against him by means of the alliance with D and her people.

In opening the meeting E pointed to the combined financial target indicating that collectively, the represented businesses needed to more than double its current annual contribution over the next 5 years. E continued by highlighting the various challenges facing the respective business units: their respective growth targets; their collective revenue and balance sheet targets; regulatory challenges and so on. By doing this, E was demonstrating a familiarity with the challenges facing all business units that in all probability exceeded the more parochial views of most of the other participants around the table. Also, he was articulating his message clearly, demonstrating a degree of comfort which allowed him to accurately reflect the ongoing construction of the relations around the table with subtle shifts in the pace, pitch, pauses and intonation of his gesturing (Shotter, 2005). He then moved on to, in a more forceful and direct manner, spell out *his* expectations from '*his*' people – those employees representing segment at Head Office and specifically in the provincial offices. No longer was he negotiating his own or his people's roles with his delivery counterparts; he was directing his people to act in accordance with the intentions that emerged between him and his direct reports during three months of discussions. In following this line of argument, E was, in Mead's (1934) words, 'acting with reference to the end' that would see him and his co-segment members, play a leading role in conversations about what we should be doing next. In doing that, E embodied this end in the ongoing shaping of his introductory comments.

I felt my own disposition towards the meeting shift – from initially feeling uncertain and anxious because of the reluctance and resistance I was anticipating from the delivery participants, to where I was now experiencing a bodily 'leaning into' the conversation from myself as well as the majority of people around the table. As he reached the end of this initial gesture, I paused, anxiously trying to peer into that interactive space between speakers and listeners where politics is at its most intense, where respect and the continuation of forms of life are decided (Shotter, 1994). In their immediate utterances following that moment, the delivery participants, including D and the usually critical F, started to acknowledge a different and potentially richer 'sense as to the possible nature of our future conduct – how we will relate what we do both to the others around us, and, to the rest of our circumstances' (Shotter, 1994: 2) than what was previously the case. A

productive conversation followed, people argued and built on each others arguments, reached conclusions and decided to act in various ways. In reflecting on this incident now, I am struck by the significance of that introductory exchange and the forms of life (Shotter, 1994) that subsequently emerged as the meeting progressed. How am I then to understand this specific instance as an ‘interplay of intentions’?

It should be clear that the interplay of intentions during that meeting had a significant bearing on the emergence of the future identity of specifically the segment protagonists. To progress my arguments emanating from this narrative, I need to reflect briefly on Dalal’s (2002) interpretation of the work of Matte-Blanco. In paraphrasing Dalal’s conclusion on Matte-Blanco, I will summarize as follows:

- The formation of identity is based on a process where, if you should test the internal structure of that identity, it will collapse into another. This is because at the center of each identity there resides a symmetrized space – a homogenized heterogeneity.
- In other words, the illusion of similarity is based on the repression of difference while, at the same time, the illusion of difference is based on the repression of similarity.

By implication, our attempts at the creation of a sustainable and recognized identity for the segment players relied largely on our success in assigning roles to the segment people that should appear to be significantly different from those of others. To be able to do this, we needed to suppress what is similar and accentuate what is different. In other words, we had to try to build a case for the uniquely valuable contribution that segment players would make. So, we could not allow acknowledging that a lot of what the segment incumbents were claiming to do was already done by others, e.g. the marketing function, the product players and even delivery. At the same time, people opposing the rise of the segment players to power, would claim in all probability that whatever the latter were attempting to do was already being done quite sufficiently by others, thus implying similarity.

Following on from Elias and Scotson (1994) we can also assume that the universal workings of power figurations would apply to the dynamics observable between segment

players and the delivery and product players. In building on the argument pursued above where the delivery players were implying similarity, now, as the established, the latter would argue that not only were the tasks the segment agents intended to do already being done, but the segment players would be stigmatized as ‘incompetent’, ‘useless and redundant’, ‘overly elaborate’, etc. at performing those tasks. Comments like those had been the order of the day in selected circles. As an outspoken and visible proponent of the segment view, I was usually excluded from those gossip themes, but did partake in a number of conversations where delivery and product players admitted to their skepticism about the role of segment. The new XXX colleagues were much more forthcoming in their criticism of the proposed role of segment players, adding significant power to the charismatic cohesion amongst the skeptics.

With this in mind, let me reflect again on the exchange recounted above: The exchange itself was an explicit demonstration by E of the ‘difference’ he, and by implication his people, could make. He raised issues, recognized by all as important (thus implying similarity), but seemingly the only one in a position to talk with authority and resolve about them (demonstrating difference and thus refuting the themes of stigma forwarded by other). That act was reminiscent of the voices of the outsiders, wanting to become part of the established. Or it might even have been a more radical assertion – the outsiders wanting to become the established; the must-not-haves challenging for the position of the haves.

Following on from his initial utterances, and responding to the tone of do-ability exuded by E, a very different than expected, productive session followed, resulting in a number of very specific resolutions taken.

That list of resolutions would be the formal record of what happened at the meeting. However, the movement of consequence was the shift in the patterning of the identities and power relations between the segment and the delivery players brought about in the micro-temporal structure of the living present. In order to understand that shift and the potential different forms of relating which may emerge from that shift, we had to turn to not only *that* a discussion took place or *what* was being discussed, but also *how* the protagonist

constructed the future *in the movement of the present*. In subsequent discussions and events it became clear that the stigmatized image of the segment players was not miraculously transformed, but a different sense as to the possible nature of our future conduct did become plausible. The interplay of intentions and the emerging patterns flowing from that interplay can often be dramatically impacted by the pre-meditated choices exercised in crafting a statement of intent *as well as* the spontaneous twists and turns a person makes in delivering that statement.

THE THOUGHTS I AM HAVING NOW

In writing this project, I am drawn to think how the perspectives I explored would make me engage differently in my practice. How will I reflect on the notions of intentions and the living present while moving through my daily experience?

Deferring Deferred Discussions

Since embarking on the project, I have become acutely aware how I regularly used to, in an unconscious albeit bodily recognizable way, defer expectations about anything of significance emanating from discussions about ‘strategic’ issues to ‘another moment, soon to come, but not quite now.’ During discussions of that nature we, as participants, seem to silently agree that the significance of this conversation might be that it is simply setting up or paving the way for another/other discussion/s that will be the really important one/s. My involvement in discussions is now shifting to one where I intend to affirm the significance of each and every discussion as important ‘right here, right now.’ In this, I am influenced by the notion of intentions and goals belonging to the present as argued by Joas (1996). Consequently, ‘deferred’ discussions have become quite conspicuous to me, leaving me with a distinct sense of missed opportunity. In writing this, I acknowledge the generalized character of this aspiration, but am keen to see where my practice may lead in particularizing this ideal.

At Play in the Interplay

This observation also leads me to my second observation: I started this project off with the need to, in a particularized way, understand what Stacey means when he writes about ‘the

interplay of intentions.’ By reflecting on my own experience *during the writing* of the two narrative episodes, I recall times when I felt completely overwhelmed and anxious by the sheer multitude and fluidity of intentions at play between the various players. There was simply no way to capture everything that was going on! So then, would it be useful at all to merely reflect on one or two probable intentions of as few protagonists? My physical reaction to this realization pointed me to my own need to be able to say something useful to those reading and reflecting on this project – not only the faculty members of the university or a faceless external examiner, but perhaps more acutely, the executives of my company. To them, this project would be really useful if I could in some or other way point to a smart way to exert control, to enforce alignment amongst all those people with the shifting, evolving intentions. My next realization was that that expectation was first and foremost my own – all along I was still harboring the silent wish to bring people together, to find a way through which the holy grail of a ‘strategically aligned’ work force could be attained

If I had so much difficulty in trying to understand my own gestures-responses in the ‘interplay of intentions’ I would have to give up on the ideal of meticulously describing and tracking the ever-shifting interplay of intentions between multiple players. This interplay cannot be conclusively described or depicted in any way. Rather, I had to come to understand the ‘interplay of intentions’ as an ongoing, infinite process of which I am merely and yet always an integral part, adding to the often bewildering, kaleidoscopic intentional stimuli. My own part in this process is not to attempt to think about and comment on the interplay of intentions, but rather to be part of the interplay, engaging others responsibly with my own emerging ideas and expectations. If I should in any way attempt to converge, condense and/or integrate those intentions, (as indeed other and I do attempt – and probably with good reason – from time to time), that intent to integrate and condense would but constitute simply another propositional theme for protagonists to respond to. So, as another way of approaching my work differently, I recognize my own participation in the interplay of intentions as never being the ‘final play’, but simply another gesture-response in the ongoing process of people strategizing.

Power and Ideology – Commenting On or Participating In?

Next, my understanding now of the nature of intentions arising between people appears to be inextricably tied to the ideological and political interests of the respective players involved. Regardless of the episode, the ideological and political considerations of the respective players were critical in developing any understanding of what actually transpired. By implication then, when we evoke narratives of the future and the past during our conversations about strategy, we should recognize in those narratives the textured messages that hold out images of not only a commercial opportunity, but more deeply, images of an ideological and political order that could compel us to act in highly transformative ways.

This is of course not a new perspective to be added to the broader strategic discourse – authors like Mintzberg (1994) and Pettigrew (1973) have long been arguing the power-political characteristics of strategy-making while Dalal (1998) and Stacey (2003), drawing on Elias and Scotson (1994) took up the case for the understanding of people's behavior in organizations as recursively linked to their (often subconscious) ideological themes. My challenge is how to make the notions of ideology and power *discussable* with and amongst leaders? In a radical picture of the future of strategy, I can imagine us spending as much time considering the ideological roots and power-political ramifications of an option as we would currently spend modeling the financial implications of that option. But my own recent and not so recent experience of introducing issues around power and ideology into conversations with company executives is that it seems to introduce an immediate different quality into the conversation. In reflecting on that movement in the quality of our conversations I recognize my noticing of that shift as knowledge-from-within (Shotter, 1994); in other words, *I know that is how we are*. This how-we-are when being confronted with the notions of power or ideology, can be described as people glancing furtively (a mixture between stealth and caution) beyond the conversation, as if having been caught out and at the same time merely humoring me (the introducer). Also, the how-*we*-are means that I am probably as furtive (that is cautionary and stealthily) in my introduction of the notions as 'they' are in responding to it.

In referring to this pattern as how-we-are, I am reminded of Dalal's (1998) reflection on ideology as making the current order seem natural and unquestionable – by implication then, skirting around the important emerging ideological and power issues is a manifestation of our current ideology. Talking openly about ideology and power in the context of strategy making would therefore be treated as unnatural and questionable, or in Elias and Scotson's (1994) words, different and indicative of outsider status. 'Insiders know that business is ultimately about the "hard" stuff; as insiders we do not make decisions around people, rather we do the rational thing, that which is right for the business. Talking about power, politics and ideology or deeply held beliefs are for the "shrinks"; we call on them from time to time but on issues of business, they are best left outside.' What then to do? I suspect the answer is to be found in the same vicinity as my second observation above: Instead of aiming to introduce discussions *about* ideology and power from a processual vantage point, I am acknowledging my part in all of what is going on and aim to participate as a protagonist subject to the very effects of ideological themes and the shifting of power balances.

CONCLUSIONS

When I initially started on this project, I was intrigued by our innate need to call on our sensing of the future in our attempts to grapple with what to do next. This need seems to appear more and more useless as we come to understand socially constructed life as essentially emergent and unpredictable. I shifted my focus to understand that sensing of the future as social material people use to inspire human action in the movement of the present. I reflected on two episodes from my daily practice during which I attempted to describe the interplay of intentions as themes shaping the identities and activities of people. Through those reflections, I recognized the fluidity of intentions and how people's engagement in the interplay of intentions usually reflects their ideologies and/or issues of power relating.

I have come to understand foresight as an important source for people to speculate, fantasize and/or have premonitions about what might or should happen over time. People bring their evolving attempts at foresight (whether gained through analysis or their intuitive sensing of future possibilities) into conversations with other people. The necessity for those

conversations is borne from an ideological imperative, aimed at the preservation of the preferred order of the people having those conversations. Flowing from those conversations in a recursive and reflexive way, mostly in the micro-temporal structure of the living present, intentions form between people that may be expressed thematically as goals, plans or strategies. Viewed this way, the meticulously analyzed forecasts and strategies take on an important role as the formal expression of the intentions of the powerful.

Together with other forms of intentionality, people do experience these goals and/or intentions in a bodily way, as inner objects that they aspire to or resist; primarily because of the historical and ethical contexts those goals do or do not represent in their lives. It is in the (often conflicting) conversational particularization of those intentions that people keep on acting from those intentions or propositional themes, and in doing so form organizational patterns of relating while at the same time having their own identities formed.

Exploring the Move to Micro

As a next focus of my enquiry I would like to engage with the work done by a number of researchers in which they attempt to '[call] for an emphasis on the detailed processes and practices which constitute the day-to-day activities of organizational life *and* which relate to strategic outcomes.' (Johnson, Melin and Whittington, 2003: 3). By drawing attention to the micro-activities of organizational players, they commenced a movement away from the highly abstracted categories and lifeless concepts that so characterizes the work of macro-strategy theorists. The movement in the debate around strategy from macro to micro is a constructive one that can be productively expanded on by also introducing the novel and radical vantage points offered by the complex responsive processes of relating perspective to this development.

PROJECT 4: THE MOVE TO MICRO-STRATEGIZING REVISITED

INTRODUCTION

The Experience of Movement in My Practice

During the course of my writing of projects 2 and 3, the way I think about strategy changed significantly. I will describe the change as firstly, that I am becoming highly critical of rational, formative and humanistic assumptions underpinning the approach to strategy by mainstream theorists (Hamel, 2000; Kaplan and Norton, 1996; Porter, 1985 and 1996; Prahalad and Hamel, 1990 and 1994; Senge, 1990) and practitioners. Secondly that, by drawing on the work of authors like Elias ([1939] 2000), Dalal (1998 and 2002), Griffin (2000), Mead (1934), Shaw (2002), Stacey (2003) and Stacey, Griffin and Shaw (2000), I am coming to view strategy as an ongoing social exchange between people as they attempt to act intentionally from living moment to living moment.

In critiquing my former role models during the writing of Project 2, I was of course challenging my own long held rationalist and humanistic beliefs and the formative causalities implied in de-humanized constructs such as markets, competences, competitive advantage and visionary leadership. Simultaneously I was exploring and assimilating new perspectives on the radically transformative and social nature of organizations and strategic change. In doing this I was beginning to experience how liberating and confirming the insights afforded by these perspectives were. Specifically, I pointed to how the fierce competition happening *within* organizations for scarce resources and political power is largely ignored in the works of the strategic choice theorists. As a counter to the blandness of some far-fetched 'vision' I concluded that a more compelling reason for people to keep on showing up for work was the joint perpetual constructing of an emergent sense of meaning and identity in the face of anxiety, conflict, diversity and unpredictability. And although we live in the hope of always being involved in engagements with that specific

quality, there is no recipe to replicate that sense of ‘meaning on the move’ (Shaw, 2002: 68) at will.

As important theoretical constructs during Project 3, I attended firstly to the notion of the future not from a linear perspective on time but from the circular, micro-temporal structure that is the living present (Stacey, Griffin & Shaw, 2000, drawing on Mead, 1934)). Secondly, drawing on the work of amongst others, Griffin, Shaw and Stacey (1999), Mead (1934), Dalal (1998), Searle (1983), Shotter (1994) and Joas (1996), I analyzed the notion of ‘intention’ as a useful construct to describe the inherently social activity of people continuously constructing the future from living moment to living moment (Griffin, 2002). In viewing intentions as organizing themes emerging in conversational interaction between people, Stacey (2003) expands the application of ‘intention’ as an organizing factor beyond the static version employed by strategic choice theorists. These explorations aroused in me an expectation that without an adaptive shift in our thinking towards the circular and micro-temporal structure of time as well as accepting the inherently social and emergent nature of intention as arising *amongst* people (as opposed to *within* individuals), we are bound to engage naively and irresponsibly with the notion of strategy. In adopting this position I discarded the reference to a macro-temporal structure of the past, present and future as posited by Stacey, Griffin and Shaw (2000) as potentially obscuring the living present and redirecting attention to either the macro past or macro future with the associated allure of formative and rationalist expectations

Through the inquiry, I came to understand people’s *sensing* of the future, not as an attempt to predict or control (even if that may be their conscious aspiration), but as important social material people converse around to evoke important themes between them. These socially constructed themes will then often inspire human action from living moment to living moment, thus giving rise to people perpetually constructing the future and ultimately their identities. Through those reflections, I came to recognize the fluidity of intentions *amongst* people. I also came to understand how their engagement in the interplay of intentions often stems from their ideological convictions and/or issues related to the relative balance of power between them. Consequently, I noted a shift in the way I approach my practice: from

thinking about my involvement as that of *impartial observer* to that of *compromising participant*, attempting to engage fully in the interplay of intentions with all its ideological and political nuances. This is however, easier said than done.

Far from being only a pleasantly challenging experience, this process also brought about a significant degree of personal bewilderment and despondency in how I engaged on a day-to-day basis with my practice. Not unlike the case in most organizations, the dominant discourse between people on strategy, planning and action in my own organization is driven from the rational, formative and humanistic assumptions I have come to question. The fact is, on a daily basis, those are the conversations happening – there is no escaping the constant deluge of rationalist and formative assumptions and conclusions being made by players. As a full time employee of the organization in an executive position I find the pervasiveness of that dominant ideology and my expected allegiance to it quite overwhelming. The nature of my day-to-day work rarely afforded me the opportunity to engage in protracted conversations with colleagues around ideological differences. In our everyday discussions, our ideological positions and differences manifested covertly during the course of ordinary exchanges around sales, sustaining business performance, the recruitment of talent, an approach to a major change initiative and so on. Over the course of twelve months I became increasingly uncertain about what I was to do in the daily interactions I had with colleagues: Should I constantly critique those assumptions and conclusions while insisting on a more social, emerging account of events? Should I attempt to alert people to the problematic philosophical implications of their departure points? Should I persist with the *inner* debates as I, in the moment, analyze and convert my transformative interpretations of the rational and formatively driven discussions with colleagues into something accessible and pragmatic? Or should I quietly submit to the approach agreed to by colleagues only to adopt an ‘I could have told you so’ attitude at the slightest signs of unforeseen hiccups as the process starts to unfold in unexpected ways?

The Focus of Inquiry

Working for a major financial services company, I was recently tasked by the group executive director heading up the retail operations, A, to lead a review of our operating

model. Amongst the people working in our organization, it has become customary to refer to the way we organized our respective business and support units (in how we approach different markets, how we account financially for performance, how and who we need to converse with about different issues) as the *operating model and governance principles*. I have been intimately involved in a number of operating model projects during the past seven years and now hold official accountability for this component of our business. I consider my involvement with the operating model and governance principles as very significant, because of two reasons: One, the operating model in my view reflects the official power differentials between the various business unit heads. Accordingly, debates and conclusions around the operating model usually depict the relative degrees of influence between the respective executives as well as their relative ability to access funds and other forms of resources. Two, the governance structures, i.e. forums and committees, formally represents the conversations required to make our business work optimally. Through the continuous shaping of the membership and agendas of those forums, we seem to be modeling broadly the type of conversations that should be happening formally and informally amongst different players.

In taking up the task, I was acutely aware of the intensity of my own uncertainty expressed in the introductory paragraphs. Now I was facing a substantial project with far-reaching implications and high risks. I knew that I would have no choice but to engage with the task at hand as a way of particularizing the insights and aspirations I concluded Project 3 with. As much as those statements were the conclusions to a Project, I have also through them stated my emergent beliefs – I would not be able to revert uncritically to the traditional rational, formative and humanistic approaches our people have become used to. In many ways, the arguments I took up in my projects reflected the struggle I am experiencing in my practice: the un-reflexive application of rational, formative and humanistic principles by *both colleagues and authors* seems to cumulatively add to the illusion that those principles reflect organizational ‘realities’ not only adequately but absolutely. This approach opposes directly my emerging belief (admittedly steeped in constant reflection and often self-doubt) in the socially constructed, emerging and transformative nature of strategy and organizational change. But would my attempts to particularize those aspirations prove to be

significantly different from the approaches I have come to criticize? Would I introduce and engage in different processes and conversations or merely engage differently in the processes and conversations we have become familiar with? And would those prove to be enough of a variance from the traditional formative approach for people to acknowledge afterwards that the experience and results were different?

As I engaged with the operating model project, I started to record my experience in narrative form. Progress on the project proved to be slow and arduous, but simultaneously packed with day-to-day experiences that left me spoilt for choice: subtle and blatant political moves from various protagonists (including myself); unexpected, random events that saw the process taking unexpected turns and always the slow, unrelenting emergence of thematic patterns that appeared and then seemed to vanish again. Through iterative discussions with my learning set, questions around the usefulness of the notion of *micro-strategizing* as a bridging concept that I could use in explaining my emergent beliefs to my colleagues kept on turning up. This concept stemmed from a recent series of publications in which Johnson and his co-authors (2003) attempted to advance the notion of micro-strategizing as a way of calling for ‘... an emphasis on the detailed processes and practices which constitute the day-to-day activities of organizational life *and* which relate to strategic outcomes’ (Johnson, Melin & Whittington, 2003: 3). In many daily instances, I could reflect on a specific event or sequence of events as indicative of people in the act of micro-strategizing. Simultaneously, I could also sense unease with some of the explicit and implicit assumptions espoused by the authors. I propose then to reflect on my experience during the course of our review of the operating model by way of the following question:

How useful is the notion of micro-strategizing in understanding and adequately explaining my experience during an important episode at work?

A NEW OPERATING MODEL?

Events and Circumstances Leading Up to the Work

Amongst the people working in my organization the notion of an operating model only became topical after a comprehensive reconfiguration of our organizing principles during 1999 and 2000. Ever since then, the operating model has come to represent the political triumphs and challenges of our executives. Through the governing principles underpinning the operating model, executives were able to claim expanded accountabilities, forge new alliances and justify their inability to perform due to insurmountable complexities. The first big challenge to the initially agreed model came barely one year after our initial effort in 2001 – an executive persuaded his colleagues that it would be in everyone’s best interest if he gained control over the sales force. Two years later in 2003, a close colleague led a comprehensive review of the operating model that concluded with radical suggestions on re-shaping the entire model. The implications of the suggestions on the relative balances of power were simply too profound and the proposal was rather dramatically discarded. Still, the proposal challenged some of the emerging frustrations people were having with the existing dispensation and therefore led to a series of ongoing tweaks and changes that are still continuing to this day.

Increasingly though, these changes have become more and more challenging of the generally assumed set of governing principles. One of the ideological assumptions underpinning our current way of organizing was that anything other than a *customer-centric* disposition is immoral. Despite the fact that most people probably had varying explanations of what customer-centricity actually meant and why it was deemed so non-negotiable, any proponents of a more *product-centric* or *branch-centric* approach were summarily dismissed as running counter to our customer-centric ideology and therefore implicitly wrong. In time, this dominant ideology came to be represented more and more by specific parties, namely the people working in the business units loosely referred to as segment business units. As a result, more and more official power was granted to those segment players. This subtle shift in interpretation and meaning (namely that the segment business units *represented* customer-centricity) as well as the mentioned shift in the

balance of power contributed significantly to a growing resistance amongst people representing the product or branch environments to the segment business units. The resistance amongst the product and branch representatives was strengthened significantly with the arrival of representatives of the new majority share holder in our company, XXX. From the very initial meetings held with these new colleagues, their dislike and distrust in a 'segment-led' approach were clearly expressed. (This disposition apparently stemmed from their failed attempt to approach business from a segmented point of view.) Colleagues who favored a more product-led approach immediately cottoned-on to this new and rather significant base of support. Some of the new XXX colleagues were quite up-front about their intentions to 'close down segments within a year.' Those types of statements obviously led to a flurry of activity – segment players trying to re-affirm their assumed supremacy; product biased players scurrying to gain more influence.

In time, various projects were launched by proponents of the different view points, some of which were now openly aimed at 'changing our approach to business from segment to product-led.' Over time, as more of those seemingly disparate initiatives got underway, people were beginning to question the extent to which there still existed a set of operating principles to which people should adhere. People expressed the concern that those largely independent efforts posed a risk of people unknowingly introducing divergent and contradictory positions that may compromise our strategic options. From an operational point of view, we were also beginning to experience the drag caused by a low level of coherence as more and more effort was required to approach activities such as marketing, sales, fulfillment and financial reporting in a coordinated fashion. Also, our operations have become bogged down in endless rounds of coordination and consultative meetings as people continually attempted to readjust the precarious balances of power. In addition, influential people were at odds with each other around who was supposed to be doing what and why. Our ability to bring new products and/or services 'to the market' lagged our competitors by months. This seemed to be at least in some way the result of a fragmented and contested set of accountabilities where one group of people will direct another group on what product to develop only to be challenged by the latter about the suitability of the proposed product.

Taking Up the Task

Amidst all of those tensions and conflicts, I was tasked by A to do a comprehensive review of our operating model. Exactly how the work on the operating model came about is hard to pinpoint. References to a review of the model were made at different points by different people. Specifically, it was one of an impressive list of tasks that emanated from an Executive Committee planning session; it also featured as a project in an early version of our medium term plan. Despite all these and other prompts, work on the operating model never got going. If someone could be held accountable to do something about those, it would have been me. Curiously, I opted not to, busying myself with other projects and tasks that, at the time, had to have a more urgent and appropriate ring to them. Then, one morning on my way into work, I received a telephone call from A, indicating his specific and urgent need to have the operating model reviewed. The call was void of any threats or promises, but must have conveyed to me an indication of resolve on A's behalf that I had found lacking in previous references to the work required.

In thinking about a formal response to his call, I was keen to do a comprehensive review of the way we were organized – from reconsidering and re-framing our ideological assumptions to a congruent reconfiguration of our businesses and supporting functions. (This bias was certainly influenced by the events and circumstances mentioned in the paragraphs above that, in my view, had contributed to a significant erosion of the efficiency and effectiveness of our organizing logic as well as the political resolve by leaders to abide by that diminishing logic.) If I were to succeed in positioning the task in this way, the scope and potential impact of the work would be huge. A comprehensive reconfiguration of our retail business could potentially see us closing down current and establishing new lines of business. This type of intervention is usually fraught with multiple risks – from people becoming increasingly uncertain resulting in productivity levels dropping to the disruption of intricate business processes. The importance of the sustained financial performance of the business was unquestioned – of the five business areas in our group the retail sector contributed more than 50% of the total profit.

In retrospect, my choice to escalate the profile and potential scope of the intervention was an interesting one. Such an approach would obviously intensify the risk I was taking – in the initial approach by A I certainly had the option to treat this as more of a gradual, evolutionary process. However, based on my experience over the past two and a half years, I viewed such a gradual approach as too risky an option. During that period A was attempting to bring about a significant shift in how we were suppose to think about our business by following a low involvement, low profiled approach. Frustrations ran high amongst executives – none seemed to be bound by any principled agreement; everyone was quick to blame everyone else and A was content to prolong those impasses by simply telling the feuding parties to solve their own problems. This time around, however, I was adamant that we should allow for the key protagonists to come to hard-fought ideological agreement as to what we would believe about the way we were suppose to do business. Exactly how I intended getting there was not clear at all; I simply undertook to start engaging people right away before the impact of the phone call had worn off.

Engaging the Powerful

One of my first responses to A was to send him an e-mail confirming our telephonic discussion. In the mail, I suggested a two phased approach: during the first phase we should continue and conclude the work underway in a number of business units. The second phase should see us engage with the issue at a deeper level that might point us to more fundamental changes as those being conducted in the respective businesses at the time. The motivation behind the e-mail was for me to get a sense of how comprehensive a review A had in mind. From the initial telephone conversation it was difficult to gauge – at times it sounded like a quick effort to optimize some of our current approaches while other comments made the task sounded much more radical. From A's response to the e-mail it was clear that he required a more detailed description of what I intended to do.

I therefore compiled a formal proposal on how to approach the task. In the document I detailed the rationale, the organizational context, what we would expect to address via the intervention, the approach to the task I was proposing, an estimation of the cost involved as well as the involvement in the project by different parties. I specifically introduced the idea

that I would, in addition to a small but influential internal team, *also involve a major consulting house* during the course of the project. Through the document I was hoping to move the conversation with A along to some form of agreement on specifically the scope of the suggested change. We subsequently convened a meeting during which A was supportive of the proposed approach. I immediately started to mobilize the internal team.

Convening the Team

For that team, I decided to convene a collection of colleagues with varying interests in the operating model work. In selecting and approaching the respective members, I was attempting to ensure that the team would comprise a requisite variety in terms of vantage points, goodwill and adversity.

My aim with the composition of the team was to include people that would be sufficiently opinionated to engender robust debate and conflict but at the same time should have shown themselves over time to be willing to consider the opinions of others. I approached the first meeting of the team with a mixture of expectations and apprehension – I was hoping to, during the course of the series of discussions, challenge some of the developing and for me unsettling ideas that some executives were forwarding while also exploring and coming to a better understanding of some of the issues I was interested in.

Our First Meetings

From the very first meeting, the well developed opinions of the respective members were quite evident despite the rather polite, exploratory nature of the engagements. What was not clear to me was what underpinned the convictions of the members, in other words, what were the certainties, concerns and interests that they held? Early on, I started to make explicit to the team members my expectations of the work we were expected to do: I was adamant that an operating model depicted more than merely an architectural description of de-humanized components (like business units and business processes) and their respective roles and contributions but should also reflect the human agency in doing business. At the same time I tried to introduce my preference to view the work as transformative through antithetical, conflict-driven discourse where synthesis may arise in potentially unexpected

ways. I contrasted this approach with a formative approach in which we (individually or collectively) would introduce a concept that we then forward in a consensus-driven way in the hope that we would not have to see our concept discarded or changed significantly, but rather unfolded progressively as more and more people come to accept or tweak the initial idea.

During the initial meetings I was struck by the complexity of the different narratives represented by the various team members. The first three meetings felt to me as if they were over in a flash and yet I had difficulty remembering any specific or notable conclusions that we had reached. What was happening and how did that experience reflect the turbulent process of strategy making? I recall getting up at a certain point during the first meeting and attempting to record some of the themes I thought I was hearing. I soon gave up and sat down feeling slightly dejected – the discussion was flitting back and forth between members and from issue to issue at a speed that made it impossible to do justice to the richness of the exchanges in a couple of clipped bullet points. I sensed the importance of what was happening but at the same time expected that some of the members might demand a more visible representation of progress made.

As we started to bring our first meetings to a close, one member suggested a loose framework of what we may possibly mean when we refer to an operating model. His initial suggestion was quickly taken up and expanded by the other members so that, by the end of the session, we were all looking at a ‘mind-map’ of various issues and factors that we all did, in some way or the other, initiated, commented on or allowed to be included. Those issues and factors were Decision Making; Power; Financial Architecture; Release Management; Ideology; Core Competence; Governance; Components and lastly, Interaction between Components. I suggested that each of the members assumed responsibility for one or more of the topics. That responsibility would imply that they should, over the next few meetings, aim to expand our understanding of why the respective topics represented the key issues we were beginning to associate with the notion of the Operating Model. I committed to provide them with a cleaned-up version of the mind-map in due course.

At this point my overriding impression was one of the various team members announcing themselves to the team while attempting to gauge the relevance afforded to them by the other members. I suggested that we should afford ourselves the time to thoroughly acquaint ourselves with the work that had been or was in the process of being done by team members or other parties with a direct bearing on the operating model. Consequently, I requested two meetings a week that would continue until such time that we felt we should either decrease or increase the frequency of team meetings. At the same time, I initiated a process of securing the services of an external consulting company to assist me with the task at hand. By implication, I had prolonged the ‘start’ of the work with an additional three weeks – a period that I considered to be an important period for us to sense the irreversible growing or stagnation of a living process amongst us (Shotter, 2006).

Processing What Was Happening

After the first meetings I called for two meetings with two participants to talk and reflect on what had happened. Those sessions proved to be helpful in a number of ways – the one participant was an external, independent consultant, skilled at allowing me to talk while offering affirming or challenging perspectives in a way that I found highly productive. We eventually concluded two conversations that I remember as particularly useful at the time: one was a reflection on the patterning evident from and between the various members of the team; the other was an effort to add more substance and specificity to the list of representative topics and issues we had identified at the end of the first two sessions.

It took us the best part of two weeks to arrive at a loose agreement on the topics we should attend to if we were to ‘review our operating model’. We agreed that some of the topics might in time be integrated into some of the other or might disappear altogether. The initial menu of topics was the following:

- Components: Architectural, hard structural components, including the functional organizational entities like business units, specialist or support functions.

- Interaction mechanisms: This topic should aim at describing the formal and less formal interactional patterns as represented by membership to forums, policy forming entities, a partial process map of key activities in the organization, etc.
- Power: Through this topic we intended to consider the relational manifestation of the relative power balance between people and units and how the reciprocal constraints and enablement were determined. As an example, the relative balance of power may lean towards centralized entities, or towards people with technological expertise, or towards the executives responsible for front line units.
- Ideology: Closely linked to the previous issue, we felt that a thorough debate on what we believed about conducting our business in a sustainable way was urgently needed. Amongst others, it was clear that the executives from XXX had very specific ideas about how business should be approached and was set on introducing a global operating model. I had no doubt that our current social order was increasingly being challenged.
- Financial Architecture: Through this piece of work we intended to give cognizance to all the changes introduced by, amongst others, regulatory requirements, new XXX reporting conventions, challenges to current costing models as well as the allocation of profit and loss accountabilities amongst the respective business units.
- Governance: The rules, precedents and principles as well as regulatory implications that everyone agree to must be kept and will manifest in the Operating Model.
- Decision Making: *Who* made *what* decisions and *how* did decisions get taken? The inquiry needed to take account of decisions taken by individuals, committee's and automated mechanisms (e.g. credit scoring systems, customer propensity listings) as well as locality of decision making, i.e. localized or centralized.
- Performance Measurement, Performance Management and Incentives: According to an external consulting company's views, it is not only *how* you run things (the operating model) that made the difference but also how *hard* you run things. Prompted by that view, we decided to include the way we measured, managed and incentivised performance as part of the initial discussions.
- Release Management: Discussions on Release Management would focus on our understanding, describing and managing how change would be introduced widely throughout the organization. Change in this regard would imply the formal and official

introduction of new concepts, constructs, processes, products, methodologies, regulations/policies, structures, artefacts, enablers and /or capabilities.

- Core Competence: A number of participants felt that we should inquire into the current and desired competence, allowing for both the emergent and formative character of this factor.

In keeping with my statements around transformative and formative approaches, I appointed and then requested the work stream leads to expand on their assigned concepts by writing a Word document of about two pages and then circulate this amongst other members for comments. I provided them with the following framework to get them going:

- What is meant with the focus area?
- How does this relate to the Personal Bank Operating Model?
- What is the current status of this focus area?
- What would we like to achieve in this focus area over the next 3 to 5 years?
- What would be the perceived benefits and risks in attempting to achieve our aspirations?
- Are there any immediate benefits that we can aim to achieve over the short term?

The team all committed to deliver their first attempts at the time I proposed.

Executive Engagement

I secured a dedicated meeting with A after four weeks of deliberation amongst the team members. At that point the latter had already developed first drafts on the respective focuses which I felt I had to talk to A about. As our discussions in the team started to confirm my initial assumptions that factors such as our financial and administrative processes would be important to consider, I felt it was time to test A's appetite for those issues to be included. I also wanted to gauge A's resolve on the involvement of an external consulting company that would cost a considerable amount of money. With the discussion I was hoping to further develop our intention on issues such as how far-reaching the changes might be; how public we should conduct the initial work and how many and which people A was considering to involve as active decision making participants.

From the meeting with A, I was left with four overriding impressions; one, A was adamant that the work on the operating model was being done not to fix something that was broken, but to reinforce our position as a leader in the local retail banking industry; two, he gave permission to contract an external consulting company, thereby giving a more explicit sense of his expectations because of the considerable fee the consultants were bound to charge; three, he insisted that the initial phase of the work conducted in collaboration with the consulting company, be done ‘below the radar’, implying that the less people knew about the work and carried on with their jobs, the better and finally, he almost dismissively accepted when I insisted on including both the financial and administrative processes as part of the initial work.

An External Partner

On accepting the task, I considered involving a reputable consulting company for a number of reasons: one, I accepted that players within our own company as well as XXX would consider me to be biased towards specific assumptions. I therefore required not only a team that would represent diverse views but also a relatively untainted and credible partner to balance and mediate conflicting views between the members of the team. Two, we were interested to hear and see practices from around the world, specifically other developing countries, in the hope of seeing our own challenges afresh. Three, a reputable external partner also provided a different quality of political influence, provided that it was people selected specifically with that goal in mind, meaning seasoned, articulate and authoritative practitioners.

While the team were busy expanding on the ‘menu of topics’ document, we also elicited and considered a number of proposals from various consulting houses. Initially, I was taken by surprise by the fees they were suggesting but it soon became clear that all the bidders were aiming their price within a narrow, comparable band. Amongst the team members, different opinions became obvious in terms of their respective preferences. For instance, one team member had a longstanding, ongoing relationship with a particular company – contracting them for this piece of work would ensure a continuation of his and their efforts to bring about an ‘industrialized banking model’. As could be expected, their approach

leaned heavily towards process and technology engineering. At the same time, their extended work with our organization led us into all the staid and repetitive arguments around product, segment and delivery that I felt I was already having with colleagues. The other proposals varied from similarly clear albeit different preferences from where to tackle the work to more open ended approaches with the prospect of arriving at a ‘built-for-purpose’ solution. As the various proposals drew to a close, I was left with the decision to appoint the partner as there was no clear consensus amongst the team members.

I expected that this choice would potentially have a material effect on how the process was going to unfold – I would expect the nature of the conversations to develop along different themes as different agents and different topics were introduced.

After a number of discussions with the team, I decided to judge the respective consulting houses on the following three criteria (price being not a differentiating factor between the respective bidders): one, the extent to which the partner can broaden and renew the conversations we were having; two, the level of appropriate and proven experience, exposure and access to relevant (financial services, retail, emerging markets) operating model work and three, the partner's ability to put forward their opinions with authority and credibility. I accepted that, if another member of the team would have to do the same, she/he would probably arrive at a different answer. This was however going to be my call and I would have to do what I sensed was the most appropriate thing to do.

Reflections on the Narrative – Three Months after the Fact

The work on the operating model subsequently continued, this time with the services of an external consulting company. After ten weeks we had a final meeting with all the executives of the retail bank during which final agreements were reached and a proposal on a new design was signed off. Another month has since elapsed during which I have applied my mind to the next phase of the operating model episode. Reflecting on the narrative account above of the initial phase in the episode, I am left with a number of observations. Because I started writing the narrative as the process emerged, I had no idea whether the accounts I was writing would in any way relate to the eventual outcomes. My narrative

therefore reflected certain efforts that, in the moment, appeared hugely important yet rapidly seemed to lose their significance as time moved on. Specifically, I explained at length how I started to pursue an executive's initial request; how I selected and convened an initial team; the nature and character of our first meetings; the dynamics amongst the members; my insistence on a specific approach to the writing of reports; our initial definition of the task at hand and how I appointed an external partner to the project. The tone of my writing at the time conveys the seriousness with which I engaged each of those events and processes. My anticipation that something significant would come of them is almost tangible. Even in retrospect, it remained contestable whether some of those events were to have any significant bearing on how the process emerged. It is possible to argue that, in ways not directly related to the actual work on the operating model, events and occurrences that in retrospect seemed negligible to me, did take on significance in the emergence of patterns involving other players. Still, in terms of my own subjective experience of the operating model episode, I would now elect to refer to most of this initial account as merely part of an introductory phase to the episode. In that way of remembering, the seriousness with which I approached certain events now appears a bit misplaced, while other instances that were yet to happen appear more significant. In retrospect, the instances that I would now consider to be of importance in contributing to what eventually emerged would be the following:

1. I pursued the phone call by A and began to force the development of an argument in order to understand and influence the level of A's resolve.
2. I invited specific members (whilst refraining from co-opting certain others) to form part of an initial team to shape a coherent argument and approach to the work.
3. We produced a comprehensive Word Document detailing the rationale as well as a proposed scope for the work.
4. I argued and convinced A to involve a reputable international consulting house in the process. This immediately raised the profile of the work.
5. I appointed a consulting house that was relatively unfamiliar to my company. They also proposed a non-standardized, emergent approach to the work.
6. I struggled through a particularly difficult argument with a colleague that left me with a clear view on the trappings of the terminology we were using at the time to describe

our organizational configuration. This personal breakthrough allowed me to immediately deduce the basis for the revised reconfiguration of the operating model.

7. In protracted work sessions and discussions between members of the team, the executive sponsors and the external consultants, a graphic depiction of the proposed model started to take shape. In time, various trade-offs get reflected in this depiction – who gets to control what; which business opportunity takes precedence over which. In short, the graphic depiction, as a social object, started to represent the meaning participants to the conversation were busy attaching to their interactions.

8. I insisted on frequent meetings with various groups of stakeholders, much to the dismay of the external consultants. I focused one team member to pester our way into the overcrowded diaries of executives.

9. As A challenged the obscured position of a particular strategic concern in a proposed business, we developed an argument that saw a new specialist unit being added to the design.

10. As the initial phase of the process started to draw to a close, I strongly supported another executive when he suggested that the final meeting should be led by our own people and not the external consultants.

11. During that final meeting, a specific recurring dilemma was resolved when an executive conceded not to insist on a direct reporting line to specialist sales consultants dedicated to selling ‘his’ product.

12. A concluded the meeting with a deliberate check that all the executives agreed and were ‘comfortable’ with the concluded principles and model.

Even now, I understand that these twelve episodes may also quickly fade into insignificance as they are bound to be overtaken by the next series of activities. In reflecting on my narrative in this way, I was alerted to how, despite my solemn commitment to act responsibly, in retrospect, many of my actions now appeared trivial and inconsequential.

MICRO-STRATEGIZING

In Project 3 I mentioned my interest in the work of a number of authors that are attempting to build interest around the notion of micro-strategizing. In their work, those authors are drawing attention to the importance of micro activities as equally significant in the strategizing attempts of organizations as the popular notion of macro-strategies. Specifically, Johnson, Melin & Whittington (2003) have argued that the turn to micro-strategizing has become almost inescapable. In the following paragraphs I will provide a short summary of four of the articles in the series as the basis for my engagement with the concept ‘micro-strategizing.’

Johnson, Melin & Whittington

Johnson, Melin & Whittington (2003) expressed their discontent with the continuing focus of mainstream strategy literature on macro-level analysis. They argued that the macro-level approach seems to be trapped ‘... [in] a cul-de-sac of high abstraction, broad categories and lifeless concepts’ (Johnson et al, 2003: 6). This sentiment seemed to resonate with my own observations on the apparently de-humanized organizations the likes of Porter (1985, 1996) and others seemed to describe.

In a brief critique of respectively the Resourced Based and Institutional theories, Johnson et al (2003) concluded that neither seemed to give sufficient recognition to the contribution of value by the ‘seeming minutiae of organizations’ (ibid: 7) resulting in a ‘flat featureless characterization of resources’ (ibid: 7). Alternatively, the authors argued that a turn to the micro explanations of managerial agency could lead to an advanced understanding of the challenges faced by those theories. Reflecting on my resolve stated above to draw attention to the social emergence of intentions in the micro-temporal structure of the living present their argument boded well for the type of synergistic movement in thinking I was hoping for.

Similarly, the authors pointed to how progress on two longstanding areas of research – Corporate Diversification and Corporate Structures – had been impeded by the limitations of macro-analysis. Again, the authors advocated that by turning attention to the actual

activity happening in organizations, those debates can be productively advanced. Here the authors were pointing to the actual managerial action or inaction aimed at *actualizing* the latent economic value of relationships instead of simply assuming that those relationships in and of themselves will generate the intended value.

In their comments on strategy process research, they again argued for a ‘theory of social action within the strategy context’ (Johnson et al, 2003: 11). Accordingly, they pointed to the need for a closer scrutiny of the role and contribution of managerial agency, allowing also for the acknowledgement of the effect of activity at the ‘periphery’ of organizations on strategic outcomes. They highlighted the rather ‘overarching design’ of processual solutions that they found to be quite remote from what managers actually do on a day-to-day basis. They critiqued the sharp dichotomy established between ‘process’ and ‘content’ and argued that content should be viewed as an ‘inherent and indissoluble part of ongoing processes’ (ibid:12). If not, process researchers run the risk of failing to demonstrate explicit links to strategic outcomes. Finally, they criticized the often too idiosyncratic and particular observations of process researchers and argued for the establishment of ‘patterns across similar issues ... [to] ... build theories with greater leverage in the real world’ (ibid: 13).

If this movement from macro to micro can be affected, the authors saw the linking of macro and micro phenomena, the collapse of the content/process split and the more direct translation of research findings into organizational actions as some of the potential benefits. However, the authors also indicated a number of challenges to be resolved in work to follow, namely, what this view would attempt to explain; how the knowledge generated through their efforts is supposed to accumulate; how the design of research approaches should enable the accumulation of knowledge by identifying and focusing on particular units of analysis and finally, how a close engagement with practice can be found and sustained given the near imperative of moving away from objective, retrospective accounts.

Samra-Fredericks

In a study that takes the turn to micro-activities seriously, **Samra-Fredericks (2003)** tracked detailed interchanges between various protagonists during a process of strategizing. By deploying an innovative combination of ethnography and ethnomethodology/conversation analysis as her methodology of choice, she indicated how, during a series of interactions, a specific protagonist became more influential whilst another strategist's impact started to fade. She concluded that it was the former's ability to skillfully display six critical features of strategizing conversations during those interactions that contributed to his apparent success. '[These features] are the ability to: speak forms of knowledge; mitigate and observe the protocols of human interactions (the moral order); question and query; display appropriate emotion; deploy metaphors and finally; put history "to work"' (Samra-Fredericks, 2003: 144). The author tracked the specific utterances of the respective strategists over four selected interactions, indicating the apparent skill with which the successful strategist was able to weave an argument that was eventually accepted by the others as what actually happened and was actually happening. That achievement would eventually see his preferred idea regarding strategic investments accepted and his adversary fired. Samra-Fredericks concluded: '[The successful strategist's] set of intangible resources, uniquely combined and through *knowing* "when and how" to express or deploy them, did influence "what the organization will look like" next year and the years after that' (ibid: 167). Through the article the author successfully introduced a vantage point on strategy as *lived micro-activities* that have significant bearing on organizational performance. I will however take issue with a number of methodological and principled differences in pages to follow.

Regnér

In a study conducted from an embedded longitudinal case-study methodology approach involving four multinational companies **Regnér (2003)** focused on the micro activities associated with strategy creation at various localities across the different organizations. He concluded that strategy gets created both at the centres as well as the peripheries of organizations albeit in observably different ways. According to his findings, strategy making at the periphery can be described as essentially inductive, that is, managers direct

themselves externally in the pursuit of information to sources close to the periphery, e.g. customers, competitors, industry consultants as well as and particularly players from unrelated industries. Also, exploratory, trial and error behaviour was very evident amongst those actors as they continuously attempted to make sense of historical strategic issues, often resulting in adjusted or even new interpretations of strategic focuses. As an example, in pursuit of an initial strategic directive concerning electro-hydraulic systems, managers at the periphery eventually ended up designing and developing a new truck trailer surveillance system.

Regnér's inquiry led him to describe the activities of managers at the organizations' centres as more deductive, with managerial activities focusing more on interpreting the existing organizational and industry contexts. Activities were also more directed along established lines of inquiry, e.g. formal inquiry frameworks, models and algorithms. Those managers were prone to interpret and make inferences based on the historical strategy whilst they appear to find it more difficult to relate to a new and/or emergent strategy. At the centre, the frameworks and other knowledge structures appeared to be well defined and closely tied to prevailing industry trends. These patterns stood in stark contrast with the more exploratory and emergent quality of the practices displayed by managers at the periphery.

Regnér concluded that the dissimilar approaches in strategizing activities between managers at the centre and those at the periphery often led to considerable differences in reasoning, sense-making and interpretation. This obviously led to conflict and tension, the worst cases of which usually proved to be vital in furthering the strategic development of the organization. In this way, Regnér could identify various instances where an everyday, often exploratory event ultimately resulted in a significant change being introduced company wide after hard-fought acceptance by strategists at the centre.

Maitlis & Lawrence

Through an intense longitudinal study (through direct observation of meetings, interviews and extensive data analysis) **Maitlis and Lawrence (2003)** produced an account and analysis of an orchestra's attempts at defining and executing a long term artistic strategy.

The focus of the study was on two aspects highlighted by process research as significant, namely organizational politics and discourse. The authors attempted to describe the narrative of how this process unfolded, then analysed the story to try and uncover reasons for what they considered to be a strategic failure, i.e. ‘... for a strategizing process to be considered a failure it should result in no action or decision at all ...’ (Maitlis and Lawrence, 2003: 112). This analysis was then followed by an iterative development of a conceptual framework they used to interpret events.

The authors defined a strategizing episode as consisting of four interrelated stages: firstly, engaging with and taking positions on the issue of importance; secondly, defining the concept; thirdly, assigning responsibility and accountability and finally, constructing the object, e.g. plan or design. The authors acknowledge the discursive and political nature of all of these phases. Through detailed analyses of the data assembled during each of the phases, they propose a set of conditions linked to each of the stages that, if present, is likely to see the stage end in failure. These propositions follow below.

Maitlis’ and Lawrence’s (2003) Propositions for failure

Proposition 1a: An episode of strategizing will be more likely to fail when key actors do not interpret the issue as relevant to their situation and as having the potential to further their own interests. (Maitlis and Lawrence, 2003: 18).

Proposition 1b: An episode of strategizing will be more likely to fail if the issue is not interpreted and labelled in a way that is legitimate within the existing organizational discourse. (ibid: 18).

Proposition 2a: An episode of strategizing will be more likely to fail when the organizational politics preclude agreement on the definition of the concept, and there exists no actor powerful enough to impose a definition. (ibid: 20).

Proposition 2b: An episode of strategizing will be more likely to fail when the pre-existing discursive resources of key actors are highly incompatible. (ibid: 21).

Proposition 3a: An episode of strategizing will be more likely to fail when organizational politics do not allow for the assignment of responsibility and accountability in a way that benefits key actors. (ibid: 22).

Proposition 3b: An episode of strategizing will be more likely to fail when the concept definition is highly complex and internally inconsistent. (ibid: 22).

Proposition 4a: An episode of strategizing will be more likely to fail when the actor(s) assigned responsibility for constructing the object lack political skill or domain-specific expertise. (ibid: 24).

Proposition 4b: An episode of strategizing will be more likely to fail when the concept has been defined in terms of the organization’s weaknesses rather than its strengths. (ibid: 25).

MICRO-STRATEGIZING REVISITED

Differences in Methodology

At the outset, I feel compelled to point to the obvious difference in research methodology between the approach that the authors favour and that which I will be pursuing in pages to follow. I deem this important because these methodological differences are an early indication of more fundamental differences between the authors and me that if not made explicit, would lead to endless cyclical debates with no resolution possible.

From an epistemological stance (following Myers, 1997) our respective approaches could all be described as *interpretive* with evidence of both the hermeneutical and phenomenological philosophical traditions apparent in our respective approaches. Critically though, the ‘micro-strategists’ seem to all ‘largely preserve something of the stance of the objective observer’ (Stacey & Griffin, 2005: 2), meaning that in all but one instance (where Maitlis and Lawrence (2003) acknowledged the effect of their own interests on their observations) the researchers viewed their own presence (physical and ideological) during the observed meetings, interviews and subsequent analysis of no consequence. This approach to research differs fundamentally from the approach described by Alvesson and Sköldbberg (2000) as *reflexive* research. This approach comprises of not only careful interpretation, but also *reflection*, where the researcher ‘turns attention inwards towards the person of the researcher, the relevant research community, society as a whole, intellectual and cultural traditions ...’ (Alvesson et al, 2000: 5). Similarly, Stacey & Griffin (2005) proposed a methodology that requires iterative reflections on *my own* experience and to pay particular attention to the complexity of the local, micro interactions *I am* engaged in. By engaging research in this way, both the way I think as well as the traditions of thought in which that way of thinking is located, are made explicit. The authors suggest that through this approach to research, the researcher/practitioner engages iteratively with questions pertaining to and therefore potentially transformative of the researcher’s own identity (Stacey & Griffin, 2005).

Noting this difference in approach right at the outset is important for two reasons: Firstly, the difference points to ideological differences that will probably keep on presenting itself as I take up the respective studies and conclusions presented by the authors. I will briefly deal with some of these ideological differences below. Secondly and related to the first point, I am of the opinion that, as we attempt to move the debate around strategy to ‘an emphasis on the detailed processes and practices which constitute the day-to-day activities of organizational life ...’ (Johnson et al, 2003: 3) we have to not only move the focus of our research to *different instances* of organizational life (i.e. ordinary day-to-day activities), but also adopt *different ways of looking* at those instances.

One such a way of looking differently would be for practitioners to adopt a *reflexive* approach to research, thus allowing for their *personal participation* (whether physically and/or ideologically) in the ‘detailed processes and practices’ of the organizational life they are investigating. In my view, this approach allows me to legitimately engage in a reflection on the micro-interactions happening between people, and the way those interactions are intended, assimilated and/or randomly generated by and around at least one of the protagonists – me. Thus, I do not have to guess about either what was happening in the inner conversations or what effect my presence did or did not have on the respective players. From this vantage point I would then offer the following observations on Samra-Fredericks’ (2003) project:

- The limitations of the ethnographic and ethnomethodological/conversation analytic traditions in capturing other facets of the communication happening between participants are noted. It reflected a traditional sender-receiver communication model – it would be interesting to explore the ability of the protagonist in focus (in the article referred to as Strategist A) to shift his gestures in the moment as he perceived and accounted for the ongoing non-verbal responses from other participants – a view that is currently lost to Samra-Fredericks’ methodological choice. Writing from a reflexive position provides one with exactly that material to reflect on.
- Samra-Fredericks assumed the position of the objective observer. In proposing an approach informed by the perspective of complex responsive processes of relating, I would like to keep my exploration open to the effect my own participation might have

on the ‘interplay of intentions’. As is evident in traditional approaches to research, Samra-Fredericks did not acknowledge her own presence in the meetings and the possible effects her own aspirations might have on her own and other’s actions.

- Without explicitly claiming this to be the case, through Samra-Fredericks’ analysis of the events, one is left with the impression that Strategist A was quite calculated in doing what he did and that by implication, good strategists should do likewise. What Samra-Fredericks’ theoretical assumptions prevented her from commenting on is, amongst others, the *spontaneous* emergence of the analyzed interactions in the power relations between the participants. Because of her theoretical vantage point – presumably based on rational and formative teleological assumptions that will assume the individual to be autonomous – the author did not allow for the social construction of the utterances she was observing. As an extreme example, it is quite possible that the decision to fire Strategist B resulted from the interplay of intentions that emerged amongst *all* participants, including Strategist B, who might now be enjoying an early, wealthy retirement.

If we are to take the ‘turn-to-action’ seriously we also have to seriously reconsider our taken for granted assumptions. The discipline brought about by a reflexive methodology (i.e. scrutinizing the way the researcher is thinking as well as the traditions of thought represented in that way of thinking) can contribute significantly to the rigour of such a shift or turn in thinking about strategy.

Another and more encompassing way of looking differently at those instances would be from the vantage points offered by less familiar voices than those we have come to associate with the field of strategy. Given the context of this project, the most obvious example of such an approach is the radically social perspective on strategy developed by Stacey (2003). By drawing on the work of the philosopher Hegel and the sociologists Mead and Elias, Stacey applied their thinking to interpret the insights offered by the natural complexity sciences to human organizations. By positing a new theory, referred to as complex responsive processes of relating, Stacey (2003) argues for a comprehensive

critique of and shift in our traditional assumptions regarding business strategies and organizational dynamics.

In approaching the notion of *micro-strategizing* from this vantage point, I find myself approaching, interpreting and reflecting on my practice along very different lines of inquiry than those posed by the authors of the series. Johnson et al (2003) argue for the turn to a micro approach for three reasons: one, the modern competitive arena requires of organizations to establish and maintain competitive advantage by leveraging off micro assets that would be less easy to replicate than the traditional macro competitive positions; two, in the intense race for competitive advantage, the need for organizations to respond rapidly to competitive opportunities is shifting the requirement for effective strategy making from measured, well-defined and centralized to more frequent/continuous and decentralized approaches; three, because of these changes, the actors involved in strategizing are demanding an approach from researchers and ‘teachers’ to be insightful at the micro-level of managerial activity and its effects (Johnson et al, 2003).

My interest in the notion of micro-strategies was awakened because of me anticipating the importance of ordinary, everyday micro- (social) activities in the emergence of discernible patterns over time in the strategic evolution of an organization. (With ‘social’ I imply here a relational view that encompasses amongst others the rational, political, ethical, moral and emotional characteristics of human interactions.) Put differently, I accept the Stacey proposition of understanding human organizations as essentially *emergent, complex, social processes of relating*, hence my interest in the unpredictable yet recognizable emergence of thematic patterns over time.

Returning then to Johnson’s first reason for the turn to micro-strategies, namely the need to maintain competitive advantage through the leveraging of micro assets, I would argue that competitive advantage *is and has always been* an emergent social process that comes about *because* of the micro activities already happening in organizations that appear to be winning. It has very little to do with a *modern* need for micro *assets* and the deliberate leveraging of such assets; rather, we are only now better able to understand the importance

of micro *activities* based on the insights provided by the complexity sciences and the subsequent re-discovery of the importance of thinkers like Elias (1939, 1970) and Mead (1934). Similarly, as for the second reason given by Johnson and his co-authors, those very insights are beginning to illuminate the limited value of macro-strategizing and the recognition that strategizing amongst people all over organizations has been happening all along anyway. Therefore, I am not aiming to take anything away from the importance of research on micro-activities/assets or widely dispersed and pervasive strategizing activities in organizations. Still I believe we will fail the more ambitious yet perfectly urgent issue of exploring and articulating a fundamentally different approach to strategy as *emergent* and to be finally understood *in retrospect* (Stacey, 2003) if we simply cloak our interest in micro events as another stab at formatively upping our competitive advantage.

Their third reason for the turn to micro activity based view of strategy suggests that the authors are clearly driven for their work to be regarded as aiding managers and providing managers with valuable insights and guidelines for action. In this context, ‘micro-strategizing’ can become a utility that managers could potentially focus on mastering and thus become more effective at strategizing. Although commendable, this aspiration may lead the authors to adopt a position from which they unreflectively assume that managers can simplistically master and control the flow of ‘the seeming minutiae of organizations’ (Johnson et al, 2003: 7). It also seems to imply that for new insights to be useful we must be able to demonstrate immediate practical application in the control and mastery of our environment. Quite frankly, as I am writing this I do not know if this work will come to something useful at all, let alone something with immediate and practical application possibilities. But this uncertainty is intrinsic to the exploratory nature of an approach to research that acknowledges the principles of emergence. I am desperately hoping for this work to come to something useful, but I can also not compromise the integrity of the work by forcing utilitarian conclusions steeped in naïve, formative thinking. When Johnson and his co-authors then concluded ‘A less ambitious but nonetheless worthwhile aim for an activity-based view might simply be to encourage reflexivity,’ (ibid: 16), I find myself less hesitant and guarded. I am anticipating that this is a huge undertaking in its own right, as

this is partly what would bring about the transformation of the identity of leaders participating responsibly in the dynamic emergence of strategic processes.

Verifying Intention

I would now like to return to the focus of this inquiry, namely that of inquiring into the usefulness of the notion of ‘micro-strategizing’. I could then reflect on the narrated episodes as various examples where I attempted to deploy a progression of ‘micro-strategies’ in order to promote the evolving/emerging intention/s I subscribed to. While I am writing this, I am reminding myself of how, in putting it this way (i.e. ‘...*I attempted* [presumably deliberately and rationally] *to deploy* a progression of micro-strategies *in order to promote* [formatively] the evolving/emerging intention/s I subscribed to), I may be prolonging a rational and formative approach to strategy. So, in writing this, I am reminding myself of the evolving intention that I now subscribe to through my participation in the Doctorate in Management Program. This intention can be described as, amongst others, contesting the rational, formative principles espoused by the advocates of Strategic Choice theory by exploring strategizing through the transformative, emerging perspective of complex responsive processes of relating. As a deliberate attempt then to advance a more congruent, emergent approach to this intention, I will revert to the transformative reflecting on a piece of narrative. That is, by telling and reflecting on an actual experience, I will expect to happen upon insights that I could not rationally foresee and will therefore experience a transformative (rather than a formative) movement of intention and ultimately identity.

A Reflective Shift

In the narrative, I convened a team from various disciplines and functional areas. I would consider the selection (and by implication, non-selection of other colleagues) an attempt at micro-strategizing on my part. By selecting particular people I was hoping to assemble participants representing various, conflicting perspectives. I was keen to engage those people and also see them engage each other on some of the thorny issues related to our operating approach. At the same time, and more politically motivated, I hoped that that particular composition would be seen by different sub-groups within the organization as

sufficiently representative of the intentions they represent. It could also be argued that I was attempting to, from the outset, make the work visible and all participants aware of some of the conflicting, shadow conversations that was bound to arise. In doing this, I was not hoping to avoid those obscured conversations or idealistically create a transparent and democratic process that could then be applauded from a humanistic audience. With reference to the narrative on the Operating Model I engaged the other members of this conversation knowing full well that whatever I would hope would emanate from our work *should* be very different from my initial idealized options. For instance, I could say that I subscribed to the necessity to allow in our operating model for powerful market focused businesses as opposed to powerful product focused business. Even so, I knew that an uncompromised version of my preferred intention will be untenable as it would be impossible to particularize such a model without people (who may subscribe to another intention altogether) working overtly or covertly to compromise or corrupt such an intention.

Through this reflection in the paragraph above, I am becoming aware of how the notion of ‘micro-strategizing’ appears to direct my attention to singular, *individualized interventions* as opposed to the continuous, evolving *social process* of interchanges between multiple players. So, even in opting for a verb, the movement in thinking brought about by the term *micro-strategizing* did not lead me to an understanding of the inherently social, emergent nature of strategizing. Rather, it seemed to prompt me into recalling past events as those initiated by an autonomous individual thinking up various schemes to ‘win’. Similarly, Samra-Fredericks (2003) focused on the behaviour of one particular protagonist, concluding that he consciously acted with skill and conviction, whilst ignoring the relational power tussles and inclusion/exclusion dynamics playing out between the protagonists. I acknowledge that the authors of the series probably never intended their arguments to be descriptive of a social view of strategizing – they apparently subscribe (perhaps in an unreflecting way) to a view of individuals as autonomous. With ‘micro’ the authors are attempting to draw attention to everyday, localised (whether at the periphery or centre) ‘... managerial activity and those involved in the activity of organizations – whether managers or not - ...’ (Johnson et al, 2003: 7). The difference in meaning that I seemed to have assigned to the term lies in my understanding of the word in a *social*

temporal processual sense whilst the authors are referring more to the notion of *agency* and thereby seem to often turn their focus to *activities performed by individuals*.

Emergence and Intentionality

In their introductory paragraph, Johnson et al (2003) stated the following:

More specifically we are calling for an emphasis on the detailed processes and practices which constitute the day-to-day activities of organizational life *and* which relate to strategic outcomes.

Johnson, Melin & Whittington, 2003: 4.

With the qualification ‘the day-to-day activities of organizational life *and* which relate to strategic outcomes’ Johnson and his co-authors seem to suggest that, one, we can differentiate between activities that do and do not relate to strategic outcomes and two, that only those activities that (eventually) do relate to strategic outcomes should be considered as the focus of this emerging field of research. Continuing my line of speculation, I would then assume that it is at least partly as a result of this assumption that the authors in the series appear to be comfortable in focusing their research on formal meetings, work sessions and interviews. Of course, this suggestion would negate the emergent and therefore relative unpredictable quality and level of importance/unimportance of ordinary, day-to-day organizational life. Due to the frequency and latent implications of the multiple activities happening in organizations it would be extremely hard to know which activities should be considered as related to strategic outcomes and which not. It is exactly this issue that I am pointing to in understanding the important passages during the operating model episode only in retrospect. The fact that I pursued the suggestion by A; how I came to select a specific consulting company; the ongoing shaping of our collective understanding of what would be proposed – all of that only became more telling in their consequences than some of the other passages I narrated *in hindsight*.

In addition to my misgivings mentioned above, the researchers were often assuming a level of intentionality with the various players that I would consider unfounded. Similarly, using

the term ‘strategy’ or even ‘strategizing’ conveys a sense of (autonomous) intentionality that I would regard as a premature assumption if considered from angles other than the formative, rational stance evident amongst these authors. Engaging in a strategizing episode may in time see players become more and more deliberate as the socialization of an intention becomes more pronounced, but I would argue that there are also other ways of explaining the seeming ‘purposiveness’ (Chia & Holt, 2006) of players. Simply because micro activities have material effects organizational patterns over time does not imply that those activities should now be labeled *micro-strategies*!

From Micro-Strategies to Micro-Instances

My intuitive disagreement with some of the explicit or implicit assumptions made (e.g. the individual as acting *autonomously*) or discomfort with accepting those assumptions without due interrogation (e.g. the *deliberate* disposition assumed with protagonists) seems to indicate a very different understanding of strategizing than that proposed by Johnson and his co-authors. I am now thinking that the usefulness of the concept ‘micro-strategizing’ may be limited to attracting attention to more localised sources of change than the traditional macro rational and formative focuses. My developing argument will then be not to point organizational players to *learn* and/or *leverage micro-strategies* but rather to become aware of those *micro-instances* that occur during the many conversations and/or moments of reflection that could become strategically important.

Micro-Instances of Significance

Simultaneously, I did however notice how my approach to my work appeared to be changing as a result of my reflections on my experience and on the notion of micro-strategizing. I have become increasingly attentive to potentially significant micro-instances during which the meaning we assign to a social object is challenged, confirmed or appear to be shifting. I started to notice how, by attending more acutely to my bodily reactions during interactions, I was alerted to such potentially important *micro-instances of variation or inflection* by amongst others sensations of frustration, boredom, excitement or being jarred. Those sensations often marked the passage of an interaction that seemed to introduce a deviation from the *understanding* I had of our evolving intention. I noticed

how, because of these observations, I am starting to attend differently to my work in the following ways:

- I am deliberately trying to increase and sustain *the intensity of my engagement* in conversations. (Amongst others I am more intent on actively shifting my body ‘into’ the interaction.)
- I attempt to sustain this intensity by consciously pursuing *micro-instances of variation or inflection* as potentially confirming or transforming of what I am coming to understand we mean.
- I am alert to *bodily sensations* as cues to explore micro-instances during interactions as potentially significant moments in the act of strategizing.
- I am conscious of how this approach is both *exhilarating and draining*.

In this way, the work of Johnson and his co-authors (2003) seemed to have contributed (in ways different than what either they or I would have expected) to a transforming shift in my practice and identity.

CONCLUSION

As I set out on the writing of this project, I reflected on the difficulties I was experiencing in the movement of my practice. I then looked hopefully at the reconciliatory potential of the concept *micro-strategizing* as a bridge between the rational, formative beliefs of colleagues and mainstream strategy theorists on the one hand and, on the other hand, my attempts at reflecting the social, transformative and emergent nature of strategy in my practice. What then became apparent was that I rapidly picked up on the differences in beliefs, methodology and interpretations between the micro-strategizing authors and me. Based on my experiences during the operating model episode I found evidence of the importance of socially produced *micro-instances* that did significantly inflect the way the process emerged. I did however also reflect on how the relative importance of those instances only became obvious in retrospect. This as opposed to the expressed and implied findings and aspirations by the micro-strategizing authors that *individually* conceived *micro-strategies* can be formatively and mostly rationally leveraged to bring about deliberate change. These differences now seemed to have stunted my ‘conversation’ with

them into an uneasy binary predicament reminiscent of my debates with colleagues at work: either they need to acknowledge the fundamentally emergent and therefore ‘not-that-easily-leveragable’ nature of micro-instances of importance or the debate will go round in endless, meaningless circles.

What does this predicament seem to point to? One way of thinking about it would be to consider what is happening as the irreconcilable clash of opposing ideologies. I am assimilating a new way of believing, drawing ‘newly’ (against the backdrop of insights gained from the complexity sciences) on old sources like Hegel, Mead and Elias. Johnson and his co-authors are subscribing to a more traditional, often opposing set of beliefs, emanating from century-old adaptations and particularizations of the thoughts of people like Plato, Descartes and Kant. In doing this they seem to be (perhaps unknowingly, perhaps deliberately) confirming that this set of beliefs explains sufficiently and comprehensively what goes on when people strategize. In putting it this way I am reminded of the way in which Shotter (2006) engages the challenge of dealing with a completely new way of embodied perception.

‘For, if our concern is with completely new, novel and unique beginnings, then we cannot find them in any repetitions of what has already occurred in us or in the world around us as we currently *think about* it in our intellectual reflections.

Shotter, 2006: 3.

What I seem then to have been doing through the course of Projects 2 and 3 is refuting the ‘repetitions of what has already occurred’ (Project 2) whilst confirming and elucidating the ‘new, novel and unique beginnings’ (Project 3).

In my attempts up to now to participate meaningfully in the conversations at work I experienced myself fluctuating between reconciliatory attempts at collaborating with colleagues and evangelistic attempts at converting them to a ‘new way’. This conflict was also apparent in the questions that I posed at the beginning of this project. But somehow, as I am writing this, those tensions now appear to be dissipating; even the impasse that I

highlighted a couple of paragraphs earlier between the micro-strategists and me is less troublesome when I reflect on my day-to-day practical coping (Chia and Holt, 2006) during the operating model process. Gradually, during the course of that episode and my writing of this project I have started to take up the 'struggle' as Shotter (2006) reflecting on Wittgenstein suggests, to focus on ways to go on so that those around me would find what I and we are doing 'intelligible'. It is in that struggle that I started to find relief in my 'spontaneous responses to [interactions] in the *present* moment' (Shotter, 2006: 114) without the requirement of ideological shifts by my counter-parts. It was after all, in the act of reflecting on those 'spontaneous responses' that I became mindful of how *I* can engage differently during processes of potential significance.

SYNOPSIS AND CRITICAL APPRAISAL

INTRODUCTION

During the course of the writing of the four projects my inquiry led me to a deepening engagement with Stacey's (2007) application of the theory of complex responsive processes of relating to the practice of strategizing. From the outset, I find his arguments provocative and compelling. My experience of this engagement was one of an unrelenting shift happening in my own practice. Due to the nature of the methodology, which congruently reflects the principles of complex responsive process of relating, my projects became an account of this shift in my practice.

My projects also reflected a dissonance with some assertions made by Stacey which I subsequently took up through the projects as a way of functionalizing those assertions. So, in Project 2 I am, in the process of critiquing the strategic choice theorists through my own experience, also testing the validity of Stacey's consistent criticism of systems thinking. In Project 3, it is Stacey's skepticism about our attempts to predict the future that prompts me to inquire into the sensibility of my own tendency to present to myself what is going to happen. Those inquiries led me to important shifts in how I approach my practice.

My inquiry has then become, firstly, to account for the emergent and social transformation of my practice as strategist and secondly, to locate and critically pursue the theses expressed by Stacey that stirred in me a sense of dissonance and incompleteness.

So, as a conclusion to my participation on the Doctorate in Management program, I will take another reflexive turn on the work done during the four projects. In doing this, I will be probing towards the essential contributions that I would hope to make. Through this inquiry I will again interpret and deconstruct the rational and formative assumptions pervading main stream theories on strategic management. Also, I will attempt to encapsulate in brief the essence that I take from the theory of complex responsive processes of relating. As potentially important sources of insights I will also revisit the contributions

of Johnson, Melin and Whittington (2003) and others as they engage with a micro approach to strategizing. Throughout, I will be looking at ways in which I can further assimilate the emergent transformation in my practice as well as deal with the remaining dissonances I experience with Stacey's arguments.

MAIN STREAM STRATEGY AND ITS DISCONTENT

An Ideological Trap?

In reflecting on my practice as a strategist, I came to acknowledge the constant allowances I used to make to explain the inadequacies of strategy and strategy implementation. Those allowances rested on, amongst others, the accepted argument that the 'translation of strategy into action' was the second most challenging task as rated by companies in a 2000 study conducted by The Corporate Strategy Board. Consequently, I accepted that a significant number of our strategic aspirations came to nothing. With my colleagues, we were content in moving from one strategic round of discussions to the next, leaving in our wake a trail of unimplemented and soon forgotten plans. Still, we received innovations like Kaplan and Norton's Balanced Scorecard with much enthusiasm as each apparent breakthrough held the next promise of a comprehensive and logically consistent approach to ensure 'the translation of strategy into action.'

I came to recognize that, in all likelihood, I was trapped with the rest of the traditional strategy community in an ideological snare. Stacey (2007) argues that the heritage of our predicament could be traced back to the likes of Immanuel Kant and his dualistic distinction between a rational and a formative teleology, i.e. why things happen the way they do. With the latter, Kant indicated how, in nature, what is meant to become is already enfolded within the most primary state, e.g. the acorn already bearing the imprint of the eventual tree and therefore *displaying a purposive unfolding as if in coherence with the mature idea*. Kant insisted that this teleology, however, cannot be applied to humans because humans are autonomous and free to make choices (Stacey, 2007). Hence, in order to understand causality in human organizations, one has to account for the freedom of choice that *rational* and *autonomous* individuals can exercise in terms of objectives and

actions and how those choices interact in the daily events of human communities. Kant then left us with two ways of understanding why things happen the way they do – *a rationalist teleology when dealing with human organizations and a formative teleology when dealing with natural systems*. Over time and despite Kant’s warning, the theories developed by specific schools of systems thinking absorbed and applied both those principles to human and natural systems alike. This dualism we have created is today well embedded and completely pervasive in how we approach our work in organizations. Stacey (2007) comments on how we apply a *rationalist teleology* when dealing with the activities of managers yet revert to a *formative teleology* when we consider how the plans and strategies of those managers will be applied to the rest of the organization. Thus, we act daily as if the plans and strategies devised by rational and autonomous managers will be coherently unfolded by people with apparently no choice in the matter.

Compounding Beliefs

Systems thinkers (Zhu, 2007) will consider this argument coarse and ignorant of developments in the field of systems thinking over the last two decades. Yet, through my inquiry reflected in Project 2, I am concurring with Stacey’s (2007) observation that none of those developments have changed the basic premises of the assumptions underpinning the systemic understanding of causality, i.e. the dualism of rationalist causality when thinking about understanding and designing the system and formative causality when thinking about governing the system. Even more to the point, together with the pervasive remnants of Taylor’s (1911) and Fayol’s (1916) scientific management approach and principles, in my experience, managers and leaders are today overwhelmingly displaying this systemic understanding of organization and causality in their daily practices. In addition managers continue to expect a predictable and controlled environment (despite consistent evidence to the contrary) through the assimilation of the implicit beliefs underpinning the work of mainstream theorists like Porter (1985, 1996), Prahalad and Hamel (1990, 1994), Kaplan and Norton (1996), Hamel (2000) and Johnson and Scholes (2002):

- The realist's belief that phenomena such as competences, skills gaps, innovation processes, competitive edge, etc. actually exist as opposed to being socially constructed by people participating in ordinary day-to-day organizational life. Because of this assumption, people ascribing to such a belief treat those constructs as consistent and stable and therefore events flowing from their interaction, causally predictable (Porter, 1996; Prahalad and Hamel, 1994; Hamel, 2000).
- The cognitivist's belief that people process information through the cognitive mapping of regularities and the cybernetic adjustments to those maps by means of negative feedback. This belief often obscures the way in which people react in emotional ways to conditions of uncertainty, exclusion and inclusion or shifts in the balance of power between people (Porter, 1985, 1996).
- The humanist's belief in people's capacity for *self*-cultivation, *self*-improvement and autonomous *self*-determination. In managerial practices, this belief manifests unchallenged in how people are supposed to be motivated and inspired by ambitious and compelling strategic vision statements and/or performance management processes focused on individual productivity (Prahalad and Hamel, 1990, 1994; Senge, 1990). In the process, how people find comfort, inspiration and/or how they act under conditions of duress through the dynamics of inclusion and exclusion or in the participation of the construction of meaning (Streatfield, 2001) are not considered.

Keeping the Approach Alive

How then is it possible that an approach with so many apparent shortcomings manage to survive? The answer is obviously a complex one with many inter-related narratives keeping the approach alive. From reflecting on my own practice, the following protagonists are important actors in the continuation of this approach to organization.

Theorists

Popular theorists in the field of strategy are advocating an approach to management that implicitly or explicitly subscribes to the principles and beliefs discussed above. Hence, an author like Gary Hamel (2000) invited readers to study the remarkable success stories of organizations that joined the innovation revolution and then presented managers with a

number of steps that will also take their organizations to similar levels of success. Jerry Collins (2001) studied 1,435 companies in his quest to find truly great organizations. He eventually found only eleven that complied with his rigorous criteria, yet felt it then appropriate to tantalizingly pose a small number of principles to his readers, which, if managers apply those to their companies, they would also move on to become great. I struggled to find reference to any human being in Michael Porter's landmark book, *Competitive Strategy* (1980) – the only constructs working in those organizations appeared to be abstract phenomena like management, clusters, capabilities and so on - all perfectly consistent, 'leveragable' and therefore predictable. So it would appear that in those largely de-humanized and aggregated organizations, managers should not have too many difficulties deploying their strategies. The list goes on – Kaplan and Norton's (1996) Balanced Scorecards and Strategy Maps; Slywotzky's and Morrison's (1998) proposals on entering and optimizing your company's profit zone; even Senge's (1990) work on the learning organization allows for managers to determine the systemic archetype at play in their organizations and then decide on the most appropriate intervention and locality for that intervention to break the hold of destructive patterns. To be able to depict such rational and formative approaches to strategy as plausible and valid, these theorists make a subtle, but in my view flawed shift, from drawing aggregated, rational conclusions in hindsight (via their sanitized business cases) to suggesting that similarly aggregated, rational concepts, if applied to the leaders' attempts at foresight, will ensure the formative and predictable unfolding of the future. They persist with the illusion that, by thinking rationally and in aggregated terms about the future, the future can also be formatively and therefore predictably unfolded. In doing this, they show a disregard for the complex social processes through which people in organizations engage with important emerging issues, some of which may in time 'give rise to changes and patterns that no individual person has planned or created' (Elias, 1939: 366). I find it significant that theorists with a more radical message like Pettigrew (1973, 1977) and Mintzberg (1977, 1994) were never embraced to the same extent by organizations in the free-market economy.

Industries

It is then not surprising that a number of industries have developed key propositions based on the assumptions and beliefs that what can be understood rationally can be formatively unfolded. Consulting companies and business schools invite their customers through highly aspiring promotions like the following: ‘We think it is time for a new framework to understand high performance and a methodology to help companies close the gap to become high-performance businesses.’ (Accenture, www.accenture.com/Global/High_Performance_Business/HighBusiness.htm, October 4th, 2007), ‘How to unleash the force of the empowered consumer’ (AT Kearney Home Page, www.atkearney.com, October 4th, 2007), ‘Corporate leaders can consciously design and build organizations that better nurture talent and knowledge, leading to substantial increases in returns’ (McKinsey & Company Home Page, www.mckinsey.com, October 4th, 2007), ‘change lives; change organizations; change the world’ (Stanford Graduate School of Business Home Page, <http://www.gsb.stanford.edu/>, October 4th, 2007) and so on and so forth. The business models of consulting companies are almost without exception based on the cybernetic systems thinking principle of ‘gap-closing’: understand and describe the current organizational state as a problem statement, then define a strategic ideal based on global best practices and finally determine what steps will be required to close the gap. The pattern reflecting the Kantian dualism is obvious – objective, rational consultants and executives will determine the reasonable thing to do and will then formatively apply that solution to the organization.

Managers

Not surprisingly then, managers have largely subscribed to manage their teams in the way one would manage the closing of a gap in a cybernetic system. Some are also heeding the call to become great visionary leaders and are putting forward reified strategies that often become a law unto itself – due to its widely generic slant and the lack of particularization everyone seems to be able to justify their latest action as ‘aligned with our strategy’. Leaders are also adopting democratic practices in order for their people to feel valued and appreciated. Inspired by competitive strategy theorists, they believe the only competitors are the companies down the street and that the internal fights over resources and money are

at worst temporary and at best to be ignored. They continue to believe that what they are doing will truly differentiate their organization from competitors, although evidence suggests that those efforts are more aimed at maintaining parity amongst competitors. Still, the promise of control and predictability (Zhu, 2007) remains a worthwhile incentive to continue managing their teams as (and not ‘as-if’ they are) systems.

Employees

Ironically, employees across organizations have been assimilated in this culture where they have adopted the belief in the necessity of visions, long term targets and autonomous individuals making the difference. Without leaders telling them what the strategy is, staff members tend to lose faith in the former, accusing them of not knowing where they are ‘taking the company’. In times when economic cycles prove to be buoyant, employees gratefully accept the accolades bestowed on them; in years when the cycle appears less favourable to achieving aggressive sales targets, they willingly accept the chastising and shaming of leaders for being lax on the job.

An Ideology in Need of Functionalization

From my experience I hold the opinion that this approach to business reflects all the hallmarks of a well embedded ideology with *rationality*, *predictability* and *control* featuring as cornerstone values. The latter should be understood in Mead’s (1923) terms as cult values, in other words, the generalized idealizations that, in business, we are always rational and in control. Whilst these values in and of themselves do reflect the ‘most precious of [our] social heritage’ as business institutions, I will argue that the functionalization of these values through essential conflict is all but absent. We are therefore as pointed out by Griffin (2002) experiencing how our unquestioned application of these values as universal norms continues to manifest in our silent conformity to this dualism. Consequently, our engagement with strategy in particular and organizational change in general remains flawed and prone to unexpected surprises.

To suggest that this should all change would of course be to succumb to the very rational and formative temptations I have been so critical of in the paragraphs above. As mentioned before, more than a theory, I would consider the current popular approach to strategy and

change as *a reigning ideology*, complete with values, norms, heroes, villains and the associated practices of handing out praise or shame. Not surprisingly though, small pockets of theorists have been posing serious challenges to the reigning orthodoxy about why things happen the way they do.

NEW DEBATES

Towards the end of the twentieth century a growing number of theorists have started to express their disillusionment with the continuing promises of traditional approaches to strategy and organizational change. So, while mainstream strategy theorists were still debating solutions to the surprising ‘gaps in strategy translation capabilities world wide’, those theorists were formulating arguments suggesting that something more profound was amiss.

Ever since the late 1960’s and 1970’s, a number of authors have started to challenge the rational models favoured by people with a preference for objective frameworks and normative analytical calculations. Some of those were authors like Wrapp (1967), Mintzberg (1977, 1994), Pettigrew (1977) and Narayanan and Fahey (1982). In his book, *The Rise and Fall of Strategic Planning* (1994), Mintzberg pointed to the evolving and unpredictable nature of strategy. He also explored the clearly social course that strategy making is subject to but that tends to be ignored by main stream writers and educators. Subsequent to these initial positions the work of more theorists started to draw attention to the need for a fundamental revision of our assumptions around organizations in general and strategy in particular. Of late, a number of authors have drawn attention to ever more fundamental revisions of our most basic assumptions. As with all things, these theorists are not unanimous in their views – some have called for a radical social theory of ‘emergent strategy’ (Stacey, 2007); some are pointing to a ‘move from macro to micro’ as a potentially valuable shift in research (Johnson, Melin and Whittington, 2003; Samra-Fredericks, 2003; Regnér, 2003) while still others are arguing for the recognition of strategy as a Heideggerian way of ‘dwelling’ or ‘practical coping’ (Chia and Holt, 2006; Chia and MacKay, 2007). In coming to their respective positions, they are drawing on sources that reflect the extent of their disillusionment with, not only the traditional

approach to strategy, but the very foundations of today's reigning ideology on how and why things happen the way they do. In the next sections I will deal briefly with the key arguments from each of these theorists and the meaning I have made of it.

Complex Responsive Processes of Relating

During the past three years I have been exposed to the thinking of a specific grouping of thinkers. As the faculty members of the Doctorate in Management program of the University of Hertfordshire's business school Ralph Stacey, Douglas Griffin, Patricia Shaw, Farhad Dalal and Donald MacLean are all actively contributing to a growing body of publications in which they are, together with the students on the program, exploring the implications of new (and old) vantage points on management practices. Dealing with strategy and management in particular, Stacey (2007) has published an extensive argument (now in its fifth edition) on the understanding of strategy as an emergent social process. He has developed this argument concurrent with his uncompromising criticism of systems thinking as an inadequate and inappropriate conceptual framework to understand the organizing activities of people.

I have been working actively as a strategist in the financial services sector for close on ten years. The philosophical foundation of my practice can be located in various traditions of systems thinking – group, family and psychotherapy; strategic choice and learning organization theory as well as resource based theory. It would come as no surprise then that the theory of complex responsive processes of relating espoused by Stacey and his colleagues as well as their criticism of systems thinking presented me with a substantial challenge in how I approached my practice. In brief, the aspects of their argument that I found particularly perturbing and/or exciting are as follows:

- Firstly, they argue against the dualistic Kantian inspired application of both formative (that means the coherent and purposive unfolding of what is already enfolded) and rationalist teleology (autonomous individuals assuming an objective position outside the system and then choosing the rational thing to do) and propose a transformative, radically

social and emergent understanding of human organizations. What I have come to understand with these terms are the following:

- Social: Viewing organizations as essentially collections of human bodies interacting in ordinary conversations at their local levels. Patterning this interplay between people are not only the overly rational or humanistic utterances assigned to people by systems theorists, but also the often erratic gesturing-responding of people to patterns of power relating, patterns of inclusion and exclusion, ideological themes and the feelings of anxiety and shame aroused by shifts in patterns of identity. By implication though, the reasoning capabilities of people are not to be denied as a defining characteristic of human interaction. In this regard, Stacey (2007) insists that ‘... the human capacity for reasoning remains of great importance and has enormous consequences’ (Stacey, 2007: 420).
 - Transformative: The always prevalent yet forever incomplete process of social organization (Mead, 1923) happening through the ongoing embodied interactions between people as they seek to functionalize values and intentions through a dialectic process of conflict and (hopefully) resolution in the living present. From these interactions, processes and identities are potentially transformed, potentially maintained.
 - Emerging: Acknowledging the apparently random, yet surprisingly *patterning* shifts and changes in the intentional and other themes between people. For strategists, our understanding, acceptance and willingness to participate fully stem from us drawing on the analogical implications of insights gleaned from the complexity sciences and the rich, corroborating principles espoused by sociologists like Elias ([1939] 2000, 1970, 1994).
- Secondly, they argue for a shift in thinking about organizations in spatial metaphors to thinking about organizing as a *temporal process* during which people are, in their ongoing interactions, (simply) producing further interactions. Importantly, they oppose

the systemic understanding of time as linearly moving from a fixed, state-like past, to an unfolding, controllable future where the fleeting (almost negligible) present only appears to separate the one from the other. Instead, drawing on Hegel (Stacey, 2007) they advocate that we are continuously in a circular, micro-temporal way, constructing and re-constructing the past *and* the future in the living present. In viewing the present in this way, I have come to question our formative fascination with the future at the expense of the vitality of the here and now.

- Implied in their position that organizations should be understood from a radical social position they draw on Mead (1923, 1934) to argue that, instead of viewing people as autonomous individuals we must understand that individuals and groups are formed and simultaneously being formed by each other. In other words, an individual is the singular while the group is the plural of the same phenomenon. There can be no human individual outside of relationship.

Stacey (2007) states about the perspective of responsive processes that it is ‘a way of thinking about what we already do’ (Stacey, 2007: 270). He comments on managers’ consistent requests for examples of the successful application of this approach and how those requests immediately reflect the frame of reference of systemically inspired theories. I assume that he usually then avoids citing the requested examples.

To my mind the moral dilemma presented by the radical perspective he offers cannot be sidestepped in this way. (With moral dilemma I am referring to people – like myself – inevitably asking, when confronted by a radically different perspective, whether or not what we are doing can still be considered a responsible way to go about things.) As already indicated by Zhu (2007), Stacey is critical of the thinking-doing divide – and yet here he is reproducing it. I also have difficulty understanding how ‘what we already do’ can continue unabated while I ‘think’ about it differently. Certainly, in my assimilation of these ideas I have noticed shifts (and am continuing to do so) in the way I approach my practice that, although hard to describe without sounding contrived, point to a different way of knowing and recognizing what is happening. This I believe has then, by implication, already called

forth a different way of acting even if it is ‘only’ (drawing on Hegel as dealt with by Spencer and Krauze, 2006) the *act of knowing*. I will explore this issue in more detail below.

Next I want to deal briefly with two additional perspectives that also challenge the main stream approach to strategy, albeit from very different vantage points. Yet, the authors of both vantage points presented me with significant material to reflect on as a way of coming to terms with a shift in practice.

Micro-Strategizing: The Turn to Strategy-As-Practice

During the course of 2003 Johnson, Melin and Whittington (2003), Samra-Fredericks (2003), Regnér (2003), Maitlis and Lawrence (2003) and others published a series of articles in which they explore the turn to ‘strategy-as-practice’. Of particular interest to me was the focus of their research which Johnson et al (2003) describe as an expression of their discontent with the continuing focus of main stream theorists on macro-level analysis. According to them, that form of analysis was usually applied to ‘broad categories and lifeless concepts’ (Johnson et al, 2003: 6). Instead, he and his co-authors advocated a turn to the ‘seeming minutiae of organizations’ (ibid: 7) as a potentially important source of value. They hoped that in turning attention to the micro activities of managerial agency their work might lead to an advanced understanding of the challenges facing macro-strategy theories. I anticipated that the notion of micro-activities might yield corroborating support to the importance of ordinary, everyday social activities in the emergence of discernible patterns in the strategic evolution of an organization.

During the course of Project 4, I attended to their research projects, methodologies and conclusions. Upon considering specifically the work of Johnson et al (2003), Samra-Fredericks (2003), Regnér (2003) and Maitlis and Lawrence (2003) I argued that the shift to micro strategies they were hoping to effect remained rooted in the rational and formative belief systems that they were criticizing. My critique of their position, delivered from a transformative, social and emerging perspective, follows below.

Johnson et al (2003) anticipated that the focus on micro activities would enable us to identify and *leverage* micro assets in a bid to outmanoeuvre competitors. In addition, they expressed the hope that those micro assets would prove to be a key way in which organizations would be able to respond more rapidly and in ways difficult to replicate to strategic business opportunities. They anticipated that the ‘move to micro’ would grant strategic importance to ongoing micro-activities in the decentralized regions of organizations.

In thinking about micro-activities as *assets and strategies*, Johnson and his co-authors (2003) reflected a crude form of rational and formative assumptions about human behaviour. For micro-activities to be ‘leveraged’ would assume that those activities could be deliberately considered before being applied, again implicitly subscribing to a sequential understanding of thinking and then doing. It would also imply that the art of the skilful conversationalist can be rationally analysed, adopted and then formatively applied to the conversational repertoire of people working in an organization. In a similar vein, Samra-Fredericks (2003) attended to the micro, communicative actions of a number of strategists during an important strategic episode in a company. She concluded that one particular protagonist autonomously and deliberately outmaneuvered another through his skilful use of micro communicative strategies.

Their conclusions obviously detracted from the *social* character of the activities observed. In pursuing a transformative, social and emergent perspective on the micro activities of people, I argued that those activities could *not* be seen as assets or strategies that can be wilfully and one-sidedly leveraged by autonomous individuals. Rather, those activities should be appreciated as the inherently social gesturing-responding (Mead, 1934) between living bodies acting in the living present. Accordingly, I would consider the apparent success of one protagonist as not autonomously brought about by that individual but instead flowing from the dynamic interplay of people enabling and constraining, affirming and negating each other’s ongoing communicative efforts to participate in the emergence of important intentional themes. As Shaw (2002) pointed out, although participants to a conversation can be intentional, the actual outcome of the conversation will *emerge* in ‘an

unplanned, unpredictable way, yet recognizable for [participants] to continue response by response' (Shaw, 2002: 31). This then implies that the micro-activities of people should rather be considered as, paradoxically, forming the emergence of discernible patterns of importance whilst at the same time being formed by those very patterns. Thus, the authors cannot, upon finding corroborating traces of individual micro-agency in the emergent patterns of an organization's story, simplistically ascribe those developments to the micro-agency induced at will by an astute micro-strategist.

Johnson's interest then appears to be that they should come across practical insights that they can offer to managers so that the latter can master and become more effective in the skill of micro-strategizing. I do not hold the same expectation – rather, and more in line with Johnson's final (albeit slightly deflated and less utilitarian) expectation, I would consider an increased level of self-awareness amongst organizational participants (about how important and lasting shifts could be brought about by momentary acts of moral resolve, executive indifference, innovative brilliance or other) a worthy outcome to any research project on micro activities.

While considering all of the above, I did however become much more attuned to how our aspirations, actions and agreements were shaped in *micro-instances*, resulting in subsequent actions which, if nothing more, transpired in different ways from what would have resulted from a different turn of events. In this regard I noted, in retrospect, how seemingly significant instances are also quickly overtaken and reduced to negligible occurrences by following events.

Strategy as Mindless, Practical Coping

Chia and Holt (2006) and Chia and MacKay (2007) published two articles in which they developed a critical argument against the orthodox view of strategy as essentially a rational process. Although I did not take them up during the course of the projects, I consider their views an important position that I need to acknowledge and respond to in building my own argument and contribution.

Drawing on Heidegger's (1962, 1971) notion of *dwelling*, they argued that strategy emanates in ways that are not as rational and deliberate as the dominant view in management literature would have us believe:

According to this *dwelling* mode, our agency and identity arise through the actions we (mostly unconsciously) deploy, and our strategies, in turn, emanate from an internalized modus operandi that reflects our culturally mediated disposition. From this dwelling mode, we make two claims: firstly, strategic outcomes do not presuppose deliberate prior planning or intention; secondly, strategy is not some transcendent property that a priori unifies independently conceived actions and decisions, but is something *immanent* — it unfolds through everyday practical coping actions.

Chia and Holt, 2006: 637.

In their 2007 article, Chia and MacKay argued for the recognition of *practices*, i.e. the culturally and historically shaped *regularities* detectable as the patterns of activities rather than the activities of individuals themselves. It is this field of practices that should be considered the 'starting point for social analysis' (Chia and Mackay, 2007: 224):

What it does mean is to assume a post-processual stance which: 1) places ontological primacy on practices rather than actors; 2) philosophically privileges practice-complexes rather than actors and things as the locus of analysis; and 3) makes the locus of explanation the field of practices rather than the intentions of individuals and organizations.

Chia and MacKay, 2007: 229.

They argue that it is through the cultural and historical transmission of those fields of practices that individuals can be seen to act consistently and organizationally effective 'without (and even in spite of) the existence of purposeful strategic plans' (Chia and Holt, 2006: 635).

'... human action must be understood in terms of a sociality of inertia – cultural transmission, socialization, institutionalization, disciplinary regimes, etc., play a crucial role in shaping an actor's modus operandi and hence strategy outcomes.

Chia and MacKay, 2007: 233.

They contrast this unreflective and unselfconscious way in which individuals would mostly dwell with moments when that familiar context is interrupted. Only then would people become more deliberate and goal-directed:

Most of human action takes place through this form of mindless practical coping and it is only when a breakdown of coping occurs that we then become aware of the cognitive boundaries between the actor and the object of action. ... The goal-directed, deliberate strategizing that takes place in a strategic episode ... represents an exception to the more mundane everyday practical coping that takes place.

Chia and MacKay 2007: 233

Accordingly:

... strategy may emerge as a consequence of the inherent predisposition of an actor to unselfconsciously respond to external circumstances in a manner that we may retrospectively recognize as being consistently strategic.

Chia and MacKay, 2007: 228

Chia and Holt (2006) and Chia and MacKay (2007) raised an important issue, namely acknowledging the importance of the cultural and historical settings of organizational events that undoubtedly give rise to habitual forms of human agency. However, in my view they go too far in positing that this form of '*mindless* practical coping' (Chia and MacKay, 2007: 233, italics added) is what usually happens and that any form of intentional, deliberate strategizing is the exception rather than the rule. In following this course they have collapsed into an extreme form of social determinism, in which most of our thoughts and actions are taken to be *mindlessly* driven by habit and tradition. Their argument suggests that our cultural and historical setting causes what we think and do. This would render us little more than 'mindless' pawns of the social forces and patterns amongst which we live our lives – a view I would disagree with.

My views follow that of Stacey (2007) who consistently argues for the paradoxical understanding of the way in which the very patterns we appear to be forming through our day-to-day interactions are also forming us at the same time. Accordingly, while local interactions are continuously producing population-wide conversational and narrative patterns, those very patterns are also enabling and constraining what is being done at that local level.

It is only by embracing the pervasiveness of this paradox that we are able to overcome the either/or nature of the rational and formative dualism so prevalent in main stream theories. Without an explicit acknowledgement of the paradoxical nature of organizational life, participation in the flat, featureless world of practice-complexes as proposed by Chia and MacKay (2007) could be considered to be dull, hopeless and amoral. This portrayal certainly does not reflect my personal experience of the choices, tensions, disappointments and surprises of work life as narrated in the different projects. It is in consciously acknowledging the paradoxes presented by the process of social organization that I find myself participating, paradoxically, in a *habitual* and *mindful* way (Stacey, 2007).

THE SUBJECTIVE EXPERIENCE OF SOCIAL, EMERGENT TRANSFORMATION

In the next section I will attempt to articulate the shifts and changes that I have experienced in my practice. I am pursuing my argument that Stacey (2007) appears to subscribe to a thinking-doing divide when he insists that citing examples where people have successfully applied the principles underpinning the theory of complex responsive processes of relating will by implication be a contradiction of those very principles. I am also pursuing the discovering of changes in my practice for two reasons: Firstly, I am drawn to the possibility that those shifts in practice are to be found in our micro actions alluded to by Johnson, Melin and Whittington (2003) and Samra-Fredericks (2003). Similarly, the extreme care displayed by Shotter (1994) in exposing our momentary utterances and gestures (also pointed to by Mead, 1934) serves as another source of interest. Secondly, I recognize in those requests by managers my own need; not so much for repeatable examples, but for compelling stories that can elucidate a relatively new and radical perspective.

Simultaneously, even though I know that my practice has changed, I have great difficulty to articulate those changes in any meaningful way. Part of the difficulty is that when we try and capture an idea in the finitudes of a written document something always escapes.

During attempts to convince colleagues and superiors of the need for a different approach I often found me regurgitating philosophical truisms that immediately evoked skepticism and cynicism from those discussion partners. They argued that this type of ‘theory’ seems to be an elaborate philosophical mask for an inevitable capitulation of responsibility. If anything, as my understanding of a transformative, social and emerging approach to strategizing and organizational change started to deepen through the iterative processes of knowing, acting, writing and reflecting, my resolve to make good on my promises has intensified rather than weakened.

From Rational Formative Strategist to Absorbed Participant

One of the earliest re-collections I have as a participant on the program is of a conversation with Patricia Shaw immediately following an early morning meeting of the faculty and participants. She commented on how involved yet silent she experienced me during the session. I responded that that was what I did – as a facilitator of change I viewed myself as outside the process looking in – observing, reflecting and then commenting on what I had seen. She responded that she thought it was possible to think differently about this; that I did not have to think about myself as ‘outside looking in’ but rather as inevitably participating. I recall how perturbed I was by that interaction, how I wanted to justify my ‘position’ as perfectly sensible and even required. Today I have a better understanding of what I have come to understand she meant. Hegel pointed out how the dynamic of *Aufhebung* or *sublation* overcomes yet preserves the contradictions (e.g. the differences, insufficiencies and incoherencies) of the habitual in the ongoing process of transformation (Spencer and Krauze, 2006). Similarly then, I will frame this transformation in identity I am experiencing as the process of *sublating* (i.e. overcoming yet preserving) the practices I engaged in as a rational, formative strategist and change consultant while taking up new ways of working prompted by coming to know myself as an absorbed participant.

Following my conclusions on Projects 2 and 3 I was, on the one hand, left with a profound distrust in the idea of the objective, rational observer, whilst, on the other hand, I experienced a compelling need to engage fully in the interplay of intentions. So, for a while, I stopped facilitating. I stopped wanting to anticipate and orchestrate the movement of people through processes of change. Instead, I started simply sitting in meetings, initially feeling as if completely detached from the various narratives and aware only of the processual movements of the conversations. I had to restrain myself from *commenting on* those observations, instead becoming intent on *engaging with* the actual arguments; becoming absorbed in the to-ing and fro-ing of different positions. Colleagues who knew me well found my sudden partisan comments upsetting; instead expecting me to hold to neutral ground and serve as catalyst for an aggregated position that will be acceptable for all the arguing parties. Still, I persisted in practicing the skill of being opinionated. I experienced the conscious commitment to one position whilst silently admitting to the perfectly valid counter position. I could recognize my hesitancy and clumsiness in pursuing and participating in conflicting arguments in constructive ways – too often I would either push too hard or pull back too early. On a number of occasions I experienced the bitter taste of defeat when, in spite of my best efforts, an accountable executive would decide against my recommendation. This was remarkably different from the rather bland but safe utterances of the skilled facilitator – comments that would be aimed at accurately reflecting the essence of intricate discussions, pointing to common ground, a synthesis perhaps, in which all parties could recognize their arguments even if the final rendition expertly echoed the preference of the most powerful.

I stopped attempting to induce broad sweeping changes on the ‘global’ others, looking instead at how what we wanted to achieve called forth changes in the habitual patterns *I* and the ‘local’ others found comfort in, right here, right now. If what we were globally aspiring to was, for example, the more immediate resolution of issues and less protracted, consensus seeking meetings, I considered the very meeting we were engaged in as a test case for that broader aspiration – could we conclude that very meeting in a way that affirmed the principle we had just committed to?

I became acutely aware of the difference in character between meetings structured as formalized events focused on feedback and progress reporting and those considered less structured and aimed at resolving challenges. Participating in the ritualized patterns of the former we appeared to have difficulty escaping the roles of either evaluative critics probing the sufficiency of others' efforts or defensively advocating the sufficiency of our own. Seldom did I come to experience or anticipate the sense of collective movement I would expect all of us to instinctively covet. I became aware of my growing need to contribute and as I started to act into that need, I found myself prompting the intensity of my participation along with the following lines:

- How can I now refocus my temporal attention onto the living present?
- Are we busy avoiding important but risqué conflicts that contribute to this meeting becoming so stale and lifeless?
- What should be said now that may lead to transforming how we think about what we can and cannot do?
- Am I sufficiently present to initiate or react to instances that may shape the longer term patterning of our organization or even my own identity?
- Am I responding bodily in a way that conveys my sense of responsibility to this conversation – both to me and those I am interacting with?
- If we should stop now, will we know how to go on?
- Are we morally committed to act or not to act as agreed?

I recall that during the writing of a progression report I happened upon the insight that after years of thinking about my practice as that of a (rational, formative) facilitator of change I had become *numb* to my own experience. Part of the transformation I was experiencing was a reclaiming of the validity of meaning I was attaching to issues. The experience of knowing from the position of a fully absorbed participant (by which I mean the subjective experience of being morally responsible for what appears to be transpiring) alerted my senses to the sensations of being fully immersed – conviction and doubt; anger and joy; anxiety and relief; often in the creative if somewhat disorderly forms of conversational knowing (Shotter, 1994). In this, I found confirmation of the perspective on leadership

espoused by Griffin's (2002) as an ethical challenge to continually engage in the ongoing conflicts between people as we attempt to functionalize our intentions and values.

Re-Socializing My World

Following on from the work done on Project 2, I deliberately started to 're-humanize' (Elias, 1970: 64) my world by engaging in ways that would acknowledge that we were mostly dealing with the *social* actions of living people instead of the assumed 'roll-out' or activation of abstracted and uniform processes. On reflection, I attempted this re-socialization of my practice in three ways – in the words that I opted for, in axioms that I challenged and in rehabilitating how I think about strategies, plans and intentions.

The Words We Opt For

In Project 4, I referred to Johnson, Melin and Whittington's (2003) call for '... a shift to *a sensibility of verbs* rather than an assumption of nouns [as] part of the solution' (Johnson et al, 2003: 7; italics added). Even more explicitly and to the point, Elias (1970) called for the '[mental] re-humanizing of all the rather de-humanizing concepts' like 'industrialization', 'scientificization' and 'democratization' (Ibid: 64) which all ultimately could be understood as the movement brought about by people's actions in one way or the other.

Thus I started to opt for less abstracted nouns and more verbs to acknowledge the pervasiveness of the actions of people, e.g.:

- 'What do we need to know?' instead of 'Knowledge management architecture';
- 'When last we strategized' instead of 'Our strategy states';
- 'Our people selling' instead of 'Our sales capability'.

I attempted to introduce a sense of *human* responsibility by insisting on pronouns wherever possible and appropriate, opting less for 'the' or 'a' and more for 'my', 'his' or 'ours', e.g.:

- 'The outcomes of the meeting' to 'What we had agreed to';
- 'Exco decided' to 'As Exco members you decided';
- 'What is obvious is a propensity not to debate issues' to 'I have noted a propensity amongst us not to debate issues'.

I became preoccupied with the notion of action – *human* action. I would endeavour to conclude every conversation and every meeting with the question ‘So what do we do next?’ I contrast this with the vague expectations I would often leave meetings with that some or other process would ‘kick in’ or be ‘rolled out’ that will see to ‘the development of a proposition’ or ‘the curbing of impairments’. I found that by insisting on how those expectations relate to the actual activities of people got participants to engage in different discussions and arguments than the premature sense of comfort that typified the former approach.

Challenging the Axioms We Hold

I resisted the thoughtless acceptance of managerial truisms that simplistically link human performance to cybernetic principles (dealt with in Project 2) like ‘you get what gets measured’, or the apparent universally inspiring effect a vision of an end state has on people to enthusiastically work to ‘close the gap’.

I advocated a more encompassing view of the social nature of what people do and why they might be doing it. For example, I introduced the political aspirations and anxieties of executives (as well as our/my own) as naturally occurring phenomena that we had to consider as important factors when re-organizing our business. I argued that people are deeply motivated by the degree to which they are being made to feel part of a group – often more profoundly and more immediately than monetary rewards that will or will not realise in the too distant future.

I turned my attention to the *internal* competition for resources – be they people, money or executive attention. I accepted that this competitive struggle was more immediate and intense than the much vaunted competition with other organizations.

I became less intrigued by the ‘big picture’ and more attentive to micro-instances (a notion arrived at in Project 4) of potential significance. Accordingly, I alerted team members to

possible events or occurrences that might prove to be important inflection points in the way the process was emerging.

A Change in Practice ... for the Better

As I now reflect on those changes in how I approach my work, I certainly felt highly engaged and morally involved in my work. I had a continuing sense of movement, of achieving what we, as the process continued, came to understand we had to do. We managed to ‘complete’ a big, complex task within the agreed timelines and to the satisfaction of key players. My team members working with me commented positively about my leadership and approach to the tasks at hand. Yet, how can I ever hope to understand the part the changes in practice that I mentioned above played in all of that? I never publicly advocated those shifts in the team/s I was working with as I deliberately chose to (simply) participate without ever explaining what I was hoping to do differently. Thus, I could not rely on specific collegial feedback on the difference or effectiveness of those rather subtle shifts.

Still, my practice has changed – I can, for the informed observer, be seen to be *acting* in different ways than before and that appeared to have contributed to a positive work experience.

Rehabilitating Strategies and Plans

If we opt to understand our participation in organizational life as social, transformative and emergent, our traditional assumptions that the future is predictable and can be created according to our plans and strategies are obviously problematic. My subjective experience of this dilemma was one of being caught in the middle of two opposing perspectives: on the one hand, the views held by most of my colleagues and also assumed in the official strategy and planning processes of my organization confirmed this traditional view of a predictable future that can be created by the controlled implementation of our strategies and plans; on the other hand, I was influenced by Stacey’s (2007) rhetorical questions: ‘Why do people prepare long-term forecasts if it is impossible to make useful long-term forecasts? Why do they adopt investment-appraisal methods that require detailed quantitative forecasts over

long time periods? Complexity theory suggests that it is impossible to make such forecasts so why do people carry on doing it?' (Stacey, 2007: 449). I applied those questions to the forecasts inherent in any strategy or plan (e.g. we will grow headline earnings by x% over the next three years; we will accelerate product sales in those markets by y% over the next six months; we will establish that business to penetrate that market and be profitable in twelve months) and found myself doubting the usefulness of those activities when things usually transpire different than envisaged in most cases.

Why then, *do* people continue the practice of writing detailed strategies and plans if the bulk of evidence suggests that those plans seldom get realized as documented? I will forward three arguments why the practice appears to be alive and well.

We have come to believe that it is the good and right thing to do. In other words, the traditional way in which we apply plans and strategies is congruent with the dominant rational and formative ideology prevalent in modern day organizations. In the opening paragraphs above, I pointed to how this ideology is perpetuated by main-stream theorists and organizational agents alike. So, even with evidence of its usefulness lacking, organizational theorists and practitioners would rather attempt to find new ways of making the practice of strategy and planning more effective than questioning the viability of the practice all together. A recent attempt at addressing the shortcomings of this practice is the well documented development of the Balanced Scorecard by Kaplan and Norton (1996). In organizations I have dealt with, practitioners are acknowledging the emergent nature of the business context they are operating in with mechanisms like rolling forecasts (i.e. adjusting the annual budgeted forecasts on a month-by-month basis) as well as shortened planning cycles (e.g. one company's executives have now resorted to one hundred day planning cycles). I interpret the latter developments as examples of the way in which people are pragmatically subverting (i.e. overcoming yet preserving) the habitual way (Chia and Holt, 2006) in which they deal with strategy and planning.

The formal processes of planning and strategizing have become an intrinsic part of how people in modern day organizations make sense of what they are expected to do next.

Accordingly, the formal plans and forecasts (be they the long-term strategic aspirations of an executive, the project timelines of a project manager or the monthly sales plans of an outlet manager) are important components in the more comprehensive organizational narratives of why people have meetings; why they allocate money to this cause as oppose to that; why some people are considered good performers and others bad; etc., etc. As a possible response to his own earlier rhetorical questions, Stacey (2007) suggested that we should consider 'putting a stop to many initiatives and abandoning control systems and procedures that are not fulfilling the purposes they are supposed to fulfil' (Stacey, 2007: 449). This all sounds rather abrupt. I am sure that Stacey would anticipate that the stopping and abandoning of procedures (into which I now include cybernetic approaches to strategy and planning) would happen in a social, transformative and emergent way. In my own practice I certainly found it difficult to plainly extract the fibres of those cybernetic procedures from the social fabric of my organizational experience without running the risk of creating destructive anxiety and uncertainty in myself or my colleagues. This tension represents the paradoxical experience I alluded to in commenting on Chia and MacKay's (2007) notion of mindless practical coping.

The strategies and plans people document also become their moral and ethical agreements about what they will be doing next. Drawing on my experience narrated in Project 4, I observed how we used the documented versions of our conversations to verify the reciprocal understanding and commitment amongst players. Those agreements did not prevent participants to continue with their shadow conversations (i.e. those conversations people do not feel able to have freely or openly) (Stacey, 2007) that may have been in direct conflict with those agreements. What did happen however was that we could proceed with the work in a way that was recognizably in accord with the formal agreements we had reached. It is this aspect of plans, namely the implied moral agreements between people, which might give rise to plans being treated as fixed and static performance contracts. I will expand on this issue in the paragraphs below.

I am therefore arguing that, despite the rational and formative heritage so obvious in those practices today we should not consider stopping or aborting the practice of planning and

strategizing. What we can do is to look for the social character and functions of our practices and artefacts and consider (again) how we may act differently.

Strategizing and planning: an infinite social process

The *activities* of strategizing and planning should not (as is now overbearingly the case) be seen as our attempts to predictably control the unfolding of a known future nor as a futile exercise in the light of the unpredictable, emergent nature of organizational life. Rather, it should be viewed as an important yet *infinite social process* (referred to by Elias ((1978)) as the interweaving of intentions and Stacey ((2007)) as the interplay of intentions) that people engage in to evoke, inspire and/or coerce human action from living moment to living moment.

A Power-Political Statement of Intent

Contrary to the commercial objectives usually espoused in rational and formative theories, strategies are usually also important statements of political intent. In Project 3 I concluded that the necessity for intentional conversations about what is to happen is borne from an ideological imperative, aimed at the preservation of the preferred order of the people having those very conversations. Viewed this way, strategies and plans fulfill an important role as the formal expression of the intentions of the powerful.

The documentation of strategies and plans: inviting particularization and further deconstruction

The *documented* version of this social process, i.e. the strategies and plans, should be understood as *interspersed, static renditions of our conversations*, representing useful markers of where we were in our thinking about what should or would be happening next. From this perspective I would like to make two observations:

- Firstly, the publication of a plan or strategy *document* does appear to call forth more concerted attempts at reaching specific interpretations and agreement from players than what the mere continuation of the conversations would achieve. In my experience, the immanent publication of ‘the strategy or plan’ can lead to intense scrutiny and revisions from all involved. Those revisions can range from fine-

grained adjustments to abrupt and radical changes in course. I am not clear on precisely why this happens; perhaps it is because of the potential scrutiny to which a public statement (that I am a signatory to) may be subjected to; perhaps it is the luxury of retrospectively familiarizing me with what has been said and what the more concealed (e.g. power-political) implications might be. Whatever the motives, I consider it important to anticipate this phase and then actively work with other participants to deepen our sense of meaning and commitment to the plan.

- Secondly, the documented version of the plan or strategy is but a *temporary* rendition of an ongoing social process. As we look back at our previous attempt, we should view the document as the next invitation for deconstructing our logic and assumptions and possibly derive new, transformed insights from that analysis. In that way, plans and strategies gain texture and a deepened sense of meaning and significance amongst those involved. During the process reflected on in Project 4, it was through multiple iterative renditions that an initially simple, schematic drawing came to symbolize a complex and significant intervention.

Accentuating the omitted themes

Furthermore, we must accept that those documented artifacts represent but the *legitimate and formal* (Stacey, 2007) versions of the intentions at play. In other words, the *shadow and informal* intentional themes (Stacey, 2007), also actively shaping the conversational themes between people, will either not be taken up or will be sufficiently obscured in those documents. Ironically, omitting contentious themes from the formal plan often fuels the conversations people have around those very themes which, in turn, may lead to those themes being legitimized. During a recent episode in an organization I worked with, a particularly sensitive issue involving the spending patterns of executives was gradually introduced into the formal plans after being initially omitted. That development coincided with escalating shadow conversations amongst employees during the initial stages of the project. Thus, in producing documented versions of our conversations, we create the opportunity for participants to introduce more contentious themes into the formal conversational sphere.

Ethical and moral agreements

Finally, the documented version represents an *ethical and moral agreement* amongst parties working closely with that plan as to what they have agreed will be done next. It forms the basis of what participants could rightfully expect others to be doing next. It should therefore come as no surprise that traditionally, as people concluded the documented versions of the plans or strategies, those aspirations are then viewed as fixed and treated as the basis for *performance* contracts. What I am pointing to is that, because of the social, emergent and transformative nature of organizational change, what we should be held accountable for is not only the rather motionless deliverables contracted at the outset (which can become completely irrelevant during the course of the contract) but rather the quality of my ethical and moral participation during the course of the process.

CONCLUSION AND CONTRIBUTION

Concluding Remarks

Through my participation in the Doctorate in Management Program I came to an understanding of organizational life as the *transformative, emerging and thus always incomplete process of social organization* (Mead, 1923). It follows then that the practice of strategizing should also be understood as part of that process and by implication, an infinite, *social* process. After all, whether ‘pursuing a new market opportunity’ or ‘developing a new distribution platform’, the work that has to be done ultimately gets taken up and is particularized by people; is enabled and constrained by people; changes the roles and tasks of people; shifts the relative balance of power between people; is supported or sabotaged, pursued or countered by people. Even so, I argued that we should not negate the value and role of analyzed and formally documented strategies and plans. Rather, we should expand our understanding of those practices and documents as important social objects that people relate to. If we should become fixated on the art of analysis and documentation and/or display a rational and formative disposition towards those plans, we are at risk of again and again being surprised by the emergent, transformative nature of organizational life.

I argued that more important than a document will be *the way we continue to participate* from living moment to living moment in that ongoing act of social organization. Drawing on the notion that micro-instances can prove strategically significant, I reflected on my experiences during episodes of change and identified specific instances where the act of knowing differently, alerted me to changes in my practice. Hence, I am drawn to the minutiae of social interactions: attending to my sense of involvement or detachment in conversations; the words we use; the challenges we pose; insisting on understanding; shifting bodily positions; pushing at obscured conflicts that harbour the risks of generalized agreements waiting to erupt in intricate, delicate and complex granularity if attended to with more care; anticipating and recognizing those moments when a brief sense of excitement or reluctance may prove to be the moment important themes shift course. And this is what I will now term *strategizing as emergent practice*.

My Contribution to the Field of Strategic Management

In the introduction to this study I suggested that my primary contributions to the field of strategic management have proven to be threefold:

Firstly, I delivered a detailed account of the emergent and social transformation of my practice from viewing strategy as a rational and formative process to understanding *strategizing as emergent practice*. With the phrase I am pointing to:

- How inherently social and unpredictable the process of strategy-making is, thus refuting the cult values of rationality, predictability and control underpinning traditional approaches to strategy;
- How our micro-practices shape significant organizational outcomes from living moment to living moment, yet pointing to how those practices and moments of significance only become obvious in hindsight.

Secondly, in pursuing the dissonances I registered with Stacey's (2007) approach to strategic management, I took up his apparent negation of the value to be derived from people's efforts to anticipate the future. I hoped to ascertain the sensibility of our anticipation, articulation and documentation of the future and, if appropriate, contribute to

rehabilitating the practice of strategizing. Through my reflections on my practice and the theory-laden interpretation of those reflections I have shown that conversations about the future and the subsequent documentation of those aspirations are, apart from being essential human tendencies, also important material people attend to in the incomplete process of social organization (Mead, 1934). Specifically, the documented strategies and plans:

- Evoke, inspire and/or coerce human action from living moment to living moment;
- Are important expressions of the power-political intentions of the powerful people;
- Provide those who care to look with useful markers about where we were in our thinking at a moment in the past;
- Facilitate further particularization of how people should go on;
- Stimulate debate about the contentious themes omitted from the formal conversations in organizations;
- Become the moral agreements between people on what they undertook to do next.

Thirdly, I explored the nature of changes in my practice that I could ascribe to me knowing differently, which I argued already constitutes an act. This was in response to Stacey's insistence that his contribution is 'a way of thinking about what we already do' (Stacey, 2007: 270). Through the work done in Project 4 I have come to recognize the importance of micro-events and therefore turned my attention to the seeming minutiae of my practice. I indicated how, through *knowing* differently, I have started to exhibit different forms of engagement with my work and colleagues:

- I experienced a shift in disposition from 'objective observer' to absorbed participant;
- I am consciously opting for words that recognize the essential human nature of organizations;
- I am challenging the axiomatic systemic assumptions we make about people in organizations.

I am not proposing these shifts as a list of repeatable and generalizable actions – I offer them as a narrative account of a shift in practice. In this way and by virtue of the

conversations that this account may evoke, I hope to be actively participating in the emergent transformation of a radical social approach to *strategizing*.

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