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The problematic of strategy: a way of seeing is also a way of not seeing

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Abstract

The paper aims to question the post-rational observations and traditional constructions of strategy in terms of what they achieve and what they fail to achieve, and seeks to reconstruct strategy as a multi-dimensional, dynamic concept. For this purpose, the study uses and interrelates the dualities between continuity principle and discontinuity principle, knowledge and imagination, opportunity exploitation and opportunity exploration, and conformist innovation and deviant innovation. The paper makes explicit, through the notion of performance paradox, the context for the framework that results from the mutual relation of these four dualities. The paper finds that failure to understand these dualities and their interrelatedness will ensure that strategy will remain largely an illusive, unexplained and rhetorical concept. It demonstrates that the greatest benefit of understanding these dualities and their interrelatedness is that it can show how organisations should be by illuminating who they might be. The paper identifies opportunities for innovation, research and reflection by establishing the need for balancing the seemingly conflicting opposites of these interrelated dualities and ways in which they can be located on their strengths. The paper suggests that the understanding that emerges from the treatment of strategy as a multi-dimensional, dynamic construct, allows organisations to align the corporate, business and functional dimensions more effectively in making progress and receiving more in terms of the results they want to achieve. The paper introduces a radical shift in thinking, arguing for a move away from simplified, unbalanced, static constructions of strategy that focus on one dimensionality, asymmetry and post-rationalisation.

Introduction

The conceptualisation of strategy in terms of corporate, business and functional strategies has gained widespread acceptance in the study and practice of strategy. There is also a growing recognition that organisations will achieve a greater performance if their corporate, business and functional strategies are aligned, supporting each other. For this purpose, the design and planning schools, for example, emphasise the notion of hierarchy of strategies in the process of alignment based on a top-down, rational approach. Such an approach, however, can potentially

lead to a one-dimensional, mono-logical thinking in today's multidimensional world that presents organisations with multi-logical problems which call for accommodating multiple perspectives. By treating multi-logical problems as though they were mono-logical, one-dimensional thinking reduces strategy to a meaningless concept thereby constraining organisations in making progress and achieving sustainable success. This can be illustrated by first examining the overuse and misuse of strategy in practice as an inert term and then questioning the post-rational observations and traditional constructions of strategy both in their virtues and failings. Such an examination and questioning will pave the way to rethink and reconstruct strategy as a multi-dimensional, dynamic construct that allows organisations to align the corporate, business and functional dimensions more effectively in making progress and receiving more in terms of the results they want to achieve.

Strategy is a borrowed term from the military. The origin of this term is the Greek *strategia*, meaning the art of war. Within its original context, it was simply understood as a military means to political ends (Sun Tzu, 1981). Strategy has now become the new mantra of contemporary organisations, an inert term with no substance and meaning, incapable of producing any reaction from those who utter or hear it. It is taking over meeting rooms and corporate documents like a virus. The overuse and misuse of this term can be explained in terms of the presence of inherent contradictions that derive from the disjunction between the existing assumptions on which organisations are run and the reality that no longer fits these assumptions. In such circumstances, when organisations call for strategy they are simply acknowledging its felt absence rather than its presence. The crisis that follows is not only epidemic, but also endemic within the context in which these organisations find themselves. This is because the solutions that helped solve the old problems have created a new set of problems that cannot be solved by the same solutions that created them. Unfortunately, the purpose of using the term strategy in organisations that cannot divorce their past is not to create an alternative future but rather to justify and reinforce the old familiar solutions that maintain status quo. Huxley's hypothetical world provides an interesting parallel. In Huxley's (1989) brave new world, happiness is achieved through a repetitive message and a pleasure drug called "soma". This drug enabled its users to experience any pleasure they could dream, while the repetitive message promoted pleasure as an end in itself, which must be pursued *ad infinitum*. Soma together with the repetitive message that promoted pleasure culminated in a form of social conditioning where the users accepted their inescapable social destiny and stopped questioning the way the world was. With no

questions asked, thinking was curtailed and thereby social stability was maintained. In organisations that find themselves in a state of perpetual decline, strategy has become like Huxley's soma where the constant call for it is providing a psychology of comfort. Such a comforting placebo, however, can only provide a false appearance of stability for these organisations. This is because, whilst in Huxley's hypothetical world social stability could be imposed by soma and its associated repetitive message, the constant call for strategy in the real world of organisations provides little more than a vacuous belief to displace anxiety, a form of escapism from the recurrent crisis that remains unresolved.

The problem of strategy also stems from the study of strategy itself, while its solution lies in how strategy emerges in practice. Although strategy is one of the most studied and taught of concepts, it is paradoxically one of the least understood. The reason for this is at least threefold. First, the studies and teachings of strategy only focus on what can be studied and what is teachable respectively thereby ignoring what cannot be studied and taught. Second, and relating to the first, most studies and teachings of strategy assume that it is possible to condition what is essentially a matter of emergence in a way that creates an objective, linear world in which organisations can objectively plot some step-by-step course of action that turns them into innovative powerhouses over a short predetermined period of time. While such objective, linear representations of the world can provide some illusion of control, experience shows that the real world is structured by potent forces many of which cannot be controlled at all. Third, and following from the first and second, most studies and teachings of strategy assume that it is possible to rationalise observations of successful behaviours and transform these post-rational observations into a formula for success that ignores not only the crisis or overwhelming opportunity that led to it but also the experimental, iterative and non-linear process from which it emerged. Even more worrying is the dangerous assumption that a universal meaning can be generated from such observations, which are always changing and incomplete.

Leading organisations, however, are strangely unconcerned by the availability of post-rational observations and formulas that claim to explain their behaviour. They probably realise that post-rationalisation embodies the past and not the future. It can only explain their last creativity, the sell-by-date of which is already passing. In any case, leading organisations are too busy replacing an obsolete formula with a new one based on a recent creativity. The irony is that it is precisely the unpredictable behaviour of leading organisations that forces postrationalists to make further

observations in order to create more formulas for success. A powerful example illustrating this problem can be found in the literary success of Peters and Waterman's (1982) study of "best-run" companies where the authors pioneered a qualities approach based upon the content of generalisable observations that appeared to be common to several seemingly successful organisations, only for several key subjects within their study to fail publicly within months of publication. It is therefore not surprising to see Peters openly stating that "I decide to write a new book when I feel disgusted and embarrassed by my previous one" (Crainer, 1997).

The exponential growth of literature, fuelled by the constant post-rational observations and abstract constructions that compete for attention, is reminiscent of the fashion industry whose audience are made to discard unfashionable clothes and replace them with the latest fashion. A cursory examination of the growing literature on strategy displays this in action with the following famed examples having already been paraded on the "cat-walk" of strategy, where it has been dressed up to be:

- About differentiation and cost leadership (Porter, 1985); stretch and leverage (Hamel and Prahalad, 1994); vision (Mintzberg, 1995); choosing what not to do (Porter, 1996); revolution (Hamel, 1996); and, fit and scope (Johnson and Scholes, 1997).
- Treated as a plan, a pattern, a position, a ploy and a perspective (Mintzberg, 1995).
- Generic (Porter, 1980); rational or incremental (Johnson, 1988); deliberate or emergent (Mintzberg, 1994); and, prescriptive, descriptive, configurational, implicit or explicit (Mintzberg and Ansoff, 1994).
- Approached from either a classical, evolutionary, processualist or systemic framework (Whittington, 1993), and from a process, content or context perspective (De Wit and Meyer, 1994).

The breadth and abundance of literature together with the variability of the perspectives and vocabulary used make it seem that the central problem, that is, strategy, is a secondary issue. The exponential growth of literature on strategy is directing attention in different ways, is adding greater complexity and is provoking more and more uncertainty while communicating less and less meaning to its audience. This in turn gives rise to another set of problems: one dimensionality and

asymmetry. In competing for attention, each perspective places two concepts in opposition and attaches value to one over the other. For example, Porter (1996) argues that the essence of strategy is choosing what not to do, as without trade-offs there would be no need for choice, and thus no need for strategy. He concludes that improving operational effectiveness is a necessary part of good management, but it is not strategy. Using a similar line of argument, Hamel (1996), in advocating strategy as revolution, rejects incrementalism by considering it to be depressingly futile as a strategy, claiming that corporations around the world are reaching the limits of incremental improvements. This perspective, however, is not ill-conceived, just partial and unbalanced, obscuring the merits of the alternative. It is important to recognise that a way of seeing is also a way of not seeing and that a central emphasis on one alternative involves neglecting the importance or significance of the others. Within the context of strategy as revolution, for example, the advocates of incrementalism would argue that if continuity leads to a prosperous existence then incrementalism is highly pertinent as there is no context for revolution. Furthermore, they would assert that the impact of incrementalism should not be considered in incremental but in cumulative terms. Moreover, incrementalists would claim that incrementalism is necessary in any case if the fruits of revolution are to be reaped and enjoyed.

In order to return organisations to the basic principles that provide the necessary direction to achieve sustainable success and in order to bring about the much needed clarity to the strategy field, this study reveals that four dualities, interrelated, offer a framework for understanding strategy as a multi-dimensional, dynamic construction and for evaluating different observations and perspectives of strategy available today. It is shown that these dualities drive and support these observations and perspectives of strategy and permeate the fundamental vocabulary. These are the duality between:

1. continuity principle and discontinuity principle;
2. knowledge and imagination;
3. opportunity exploitation and opportunity exploration; and
4. conformist innovation and deviant innovation.

Before presenting the framework, however, it is useful to introduce, through the notion of performance paradox, the context that makes this framework valid, reliable and relevant.

Performance paradox

Vilfredo Pareto (1848-1923), in developing his polemical essay *Trattato di Sociologia Generale* (Pareto, 1916), which was translated into English under the title *The Mind and Society* in 1935, investigated the patterns of wealth and income in nineteenth century England. In this investigation, he discovered that the distribution of wealth was predictably unbalanced as 20 per cent of the population owned 80 per cent of the usable land. The basic imbalance observed by Pareto over a century ago, also known as the 80:20 rule or the law of the trivial many and the critical few, can usefully be paralleled to a recurrent crisis in organisational life: the performance paradox, which manifests when a significant majority of effort leads to a minority of the results. This apparent contradiction can be explained through the decay of cause-and-effect models.

Organisations are the product of an idea, a winning way of thinking and doing that their members want to repeat again and again because it generates similar results thereby making them feel like winners. Cause and effect are assumed through feedback loops and a process of intensification. A negative feedback loop is employed to focus effort through minimal deviation and maximum control whilst the amplification of effects indicates positive feedback. Thus, as intensified repetition increases conformity, it appears that its effect is growing. However, a cause-and-effect model is only effective within the original context that made it relevant and thus emerging contextual changes make the construction upon which such causality was founded increasingly irrelevant. This is because as a cause-and-effect model loses its relevance the amplifiers and reducers weaken the link between cause and effect. In this way, a crisis emerges both from within and outside as the contextually-misaligned organisation shows signs of diminishing returns. A common approach to deal with such a crisis is to work harder by conforming even more rigidly to the decaying cause-and-effect model in order to make it work. Although such an approach may prolong life, it cannot succeed as the nature of causality has changed which means that there is an emerging strategy vacuum. This implies that the only remaining alternative is to create another cause-and-effect model, which like its predecessor is initially powerful but decays over time.

The problem for organisations with a decaying cause-and-effect model and no viable alternative cannot be underestimated. In such times of difficulty, organisations want more control and get less. They apply more of the same solutions to solve problems,

and wonder why problems multiply, the effort for each problem solved inflates and the time between problems solved increases. They intervene and direct more only to receive less in terms of the results they want to achieve. However, what these organisations fail to notice is that, in increasing conformity through intensifying repetition, minimising deviation and maximising control, they have developed, through an unconscious process, a danger model, the aim of which is to identify divergence and destroy it through exclusion and rejection mechanisms. The implication of such a danger-model is at least twofold. First, it renders organisations unable to perceive the end for which conformity was emphasised, and as a result, obsessive conformity, originally conceived as a means, becomes transformed into an end-in-itself. Second, to keep on doing what worked in the past, even though it means steady decline, no matter how hard the organisation works, necessarily involves neglecting other alternatives. This is because the fixation on “what is” obscures “what is not” or “what might be”. As a result, when a cause-and-effect model that was once powerful starts to decay, in the absence of an alternative, there is a transitional period when work that used to generate results becomes symbolic work that produces no effect. Symbolic work is like running on a treadmill, all motion but no direction. It involves constructing appearances of “busyness”, examples of which included endless crisis meetings, creation of numerous corporate documents and the consumption of fashionable behavioural models of “success”, which if aped, symbolic workers assume, will deliver similar riches to those gained by their exemplars. Thus, symbolic work provides little more than a false hope, an unrealistic expectation based on a denial of reality. It is an expensive prescription for maintaining status quo.

As symbolic work can only accelerate the rate of decline, organisations that find themselves in a state of perpetual crisis eventually come to realise that effort without the rejection of the prevailing cause-and-effect model and substitution of a new powerful cause-and-effect model, is fatal. In other words, they have to become their own creative destroyers. It is this fundamental recognition that transforms strategy from a rhetorical into a meaningful concept.

Rethinking and reconstructing strategy

Four interrelated dualities can account for resolving the performance paradox. These are the duality between continuity principle and discontinuity principle, the duality between knowledge and imagination, the duality between opportunity exploitation and opportunity exploration, and the duality between conformist innovation and

deviant innovation. The interrelatedness of these four dualities, depicted in Figure 1, culminates in a framework that constructs strategy as a multi-dimensional, dynamic concept.

Duality, as a key concept guiding the development of this framework, must not be confused with other bipolar concepts such as dilemmas and paradoxes. What is common across all bipolar concepts are mutual exclusivity and simultaneity. However, while dilemmas are viewed as an “either/or” scenario in which one attractive and or undesirable alternative must be selected or rejected *vis-à-vis* its equally attractive and or undesirable counterpart, and while paradoxes are the apparent contradictions arising from the simultaneous presences of two seemingly conflicting forces, events, factors or tendencies that do not necessarily call for a choice between them, a duality within the context of this study is characterised as:

- A distinction between two realms, each very different, valid, having a different tendency with differing influences, and of utmost importance in understanding organisational life in general and strategy in particular.
- A never-ending concern of a divergent nature that grows out of the differences between two seemingly conflicting opposites that are both permanent and existing simultaneously.
- An “and/both” scenario in which the principal task is not to eliminate but to balance such differences.
- A way of accommodating two seemingly conflicting opposites which locates them on their strengths while avoiding their weaknesses.
- An opportunity for making progress and receiving more in terms of the results organisations want to achieve.

In capturing the above characteristics, the methodological underpinnings of this study have been based on what Chaharbaghi and Cripps (2006) term “metalectics”, the logic of which they state stems from:

[...] the recognition that the world of values is inconsistent because it is made up of antagonistic elements; that full commitment to opposing perspectives simultaneously is impossible, yet each demands total acceptance; that this is not a case of logical contradiction because it involves human values; and that it represents a kind of contradiction that lies at the heart of divergent agendas and practices. Based on

these recognitions, metalectics can be considered as a way of describing choice-making through three kinds of complimentary inquiries: namely, an empathetic enquiry, a sympathetic inquiry, and a dialectic inquiry applied dialectically. An empathetic inquiry attempts to understand as much as possible the value assumptions, hidden motivations and arguments of differing positions that support their rationale. A sympathetic inquiry does not deny the value assumptions of assertions, models or paradigms of others but nevertheless raises as many critical questions as possible about them. The idea is to play the devil's advocate in the role of a critical friend and consider whether alternative arguments are more convincing. At the meta-theoretical level of exploration a dialectic applied dialectically goes beyond competing explanations to establish an alternative way of thinking about choice. A dialectic applied dialectically avoids the limitations of compromise that is reached by a dialectic that is applied objectively i.e. the weakening of polarised discourses through a process of denying the strengths of each position. This is an important point because where compromise between argument positions is reached, individuals have no rational or good reason to accept or reject it. In other words, compromise is founded on an individual's or a group's participation in the solution but weak engagement with the struggle. The artistry involved in metalectics is exposed where the individual perceiving extremes in conflict uses their emotional intelligences such as empathy and sympathy to enable engagement with the struggle without commitment to a particular position. The aim is to keep polarised positions in the struggle of opposition because only through this struggle can true dialectic survive. It is therefore necessary to ensure that each discursive theme is not destroyed. A metalectic discourse is thus one that masters the art of argument using the strengths of each of the diverse argument positions to transform understanding.

In resolving the performance paradox, using metalectics, the continuity principle must first be delineated from the discontinuity principle. Although continuity and discontinuity represent two opposing tendencies, the former favouring the status quo and stability and the latter emphasising transformation and radical change, it is ultimately the relative orientation with regard to time that explains the basis of their conflict. If time can be considered as a continuum in which events pass from the future through the present into the past, two assumptions concerning the future determines the way in which the world is considered to work. First, the past will repeat itself or the past trends will continue. In other words, the future is a simple extension of the past or an extrapolation of past trend lines. As a result, memory, that is, the ability of retaining and recalling past experience arising from actual observation of or practical acquaintance with historical facts or preceding events, is what should govern decision making and action. The second assumption considers

the future to represent a radical departure from the past, shifting the emphasis from a single future to a range of alternative futures, including, for example, those deemed probable, those considered as possible, although not necessarily probable, and those viewed as the unintended consequences of past decisions and actions. The proponents of the continuity principle maintain that stability arising from, for example, norms, mores and routines, brings about certainty, safety, security and emotional comfort, and that it promotes and reinforces community. Those who emphasise the discontinuity principle, on the other hand, present transformation and radical change as a promise of a better future, ensuring survival and driving progress. Without discontinuities, they argue, human beings would still live in caves, miserable and naked, and that out of discontinuities in the past have come meaningful, beneficial advances. Although the continuity and discontinuity principles may appear to be opposites, they are not hostile to one another for at least three reasons. First, the strengths of each can be found in the weaknesses of the other and vice versa. Second and relating to the first, continuity is favoured when it contributes to well-being and prospering. However, when continuity leads to a miserable existence then discontinuity is preferred. This is because in such circumstances continuity helps preserve unsatisfactory life conditions while discontinuity helps escape them. Third and corresponding to the second, without periods of continuity it is not possible to enjoy the beneficial advances brought about by discontinuities. Thus, when the continuity and discontinuity principles are seen as complementing one another, that is, working together and supporting each other, a virtual spiral emerges where the emphasis on one increases the benefits of emphasising more of the other. A disturbed harmony between these two tendencies, on the other hand, results in a vicious circle in which the persistent domination of one, for example, weakens both as the dominator allows its weaknesses to outweigh its strengths by neglecting or playing down the strengths of the dominated.

The duality between continuity principle and discontinuity principle provides the context for the duality between knowledge and imagination. A useful starting point for examining this duality is to consider the way in which Albert Einstein placed knowledge in opposition to imagination. In an interview, the poet and journalist George Sylvester Viereck asked Einstein, how does he account for his discoveries? He replied:

I am enough of an artist to draw freely on my imagination, which I think is more important than knowledge. Knowledge is limited. Imagination encircles the world (Viereck, 1929).

Einstein's words attach value to imagination over knowledge and point to two factors that lie at the heart of this asymmetry. First, knowledge is limited, that is, what is known cannot be otherwise and what is otherwise cannot be known whether it exists or not. Second, imagination is infinite, that is, it is without limits or boundaries. The question is not whether Einstein was right in thinking imagination is more important than knowledge, but under what condition was he right? When human beings first turned a stone into a tool, they demonstrated a fundamental part of human mental ability: imagination. Although imagination is unlimited and a privilege given by birth, very few use its powers in their daily life. As knowledge and imagination facilitate continuity and discontinuity respectively, when continuity is preferred, knowledge is emphasised to preserve it. On the other hand, when discontinuity is called for, imagination is favoured in order to respond to new life conditions, develop novel solutions, discover new possibilities and invent alternative realities. This, however, does not mean that knowledge is not supportive of the imaginative process and vice versa. Imagination is what extends the boundaries of knowledge while knowledge provides the criticality that is necessary for the evaluation of imaginative ideas. The insight that emerges from such a criticality unites hindsight and foresight in a way that provides a greater sense of anticipation while helping avoid the pitfalls of unintended consequences when imaginative ideas are introduced. This mutual relation between knowledge and imagination turns on a different but related recognition, which is, while Einstein's words regard knowledge as limited and imagination as without limits, imagination is not bounded by that which is already within the current vision or field of knowledge such that an advance may surprise those who hold such knowledge, but does not completely confound them. In such circumstances, imagination enables them to see things differently within what might be considered as existing knowledge rather than opening the possibility of seeing different things of a kind never seen before. From this perspective, seeing things differently may alter practice radically, but it does not necessarily revolutionise "knowledge".

The duality between opportunity exploitation and opportunity exploration follows logically from the duality between knowledge and imagination. In this duality, exploitation stresses intensification through heightened repetition, minimal deviation

and maximum control with a view to achieving greater reward and payback in milking an existing opportunity. Exploration, on the other hand, privileges diversification, emphasising variety by regarding regeneration deriving from having ample choices. While exploitation limits choice through retention and conservative play by focusing on options proven to work in the past, exploration increases the potential for choice by embarking upon journeys of discovery and invention in the hope of favourable outcome which cannot be known in advance and which often lead to multiple paths. Within the context of organisations, as exploitation and exploration efforts compete for resources, both at times of scarcity and plenty, the allocation of resources often favours exploitation over exploration. This is because the former is considered as having immediate payback while the latter is viewed as lacking significance given its uncertain outcomes. Such an imbalance, however, can spell certain death as in the absence or reduction of exploration the stock of opportunities to exploit will eventually be exhausted. This, however, does not mean that an imbalance towards exploration is desirable. Too much emphasis on opportunity exploration can result in too many costly journeys that cannot be afforded because of inadequate exploitation. It therefore follows that without opportunity exploitation there is no context for opportunity exploration and vice versa, and that a balance between them is necessary in order to meet the needs of today without compromising the ability of organisations to meet future needs.

The duality between conformist innovation and deviant innovation brings together the three dualities considered above in a common cause to resolve the performance paradox. Conformist innovation emphasises continuity, knowledge and exploitation by recognising achievement as engaging in a conforming conduct. It implies adaptation of the individual practices to the requirements of minimising deviation though maximising control. It emerges from identifying ways in which organisations can conform more and more rigidly to a cause-and-effect model in order to make its effect grow. As the presence of a powerful cause-and effect model is what makes increasing conformity effectual, there is no context for conformist innovation as soon as a cause-and-effect model starts to decay. In such circumstances, conformist innovation only becomes useful again to organisations after another powerful cause-and-effect model emerges out of deviant innovation. Deviant innovation emphasises discontinuity, imagination and exploration in rewarding deviance. It implies challenging the prevailing assumptions on which organisations are run. It emerges when organisations are refocused on doing something different or doing things

differently. Thus, while the direction is defined by deviant innovation, the most appropriate way to move in that direction is mapped out by conformist innovation.

The above four dualities together with their interrelatedness construct strategy in a way that makes it a valid, reliable, meaningful and significant concept. In this construction, strategy is neither the continuity principle nor the discontinuity principle, neither knowledge nor imagination, neither opportunity exploration nor opportunity exploitation, neither conformist innovation nor deviant innovation, but a third entity independent of the two. It is simply a link, a mental bridge that facilitates the seemingly conflicting opposites of these four dualities working together in harmony and in support of each other in resolving the performance paradox. Although such a mental bridge may not be immediately apparent, it nonetheless exists. It has an effect and one intuitively knows what it is when a movement from one end to the other takes place. This mental bridge as much as providing a means for such a movement, and as much as being a bearer of exchange, keeps both ends apart, making the best of both worlds by allowing each end to play to its strengths, and in doing so, preserves the four dualities. This has to be the case because a bridge ceases to exist unless both ends remain in place. From this perspective, both conformist innovation and deviant innovation, for example, although very different, are of utmost importance and strategy is what links or bridges them, allowing conformist innovators to receive and exploit what deviant innovators have delivered in the form of a powerful cause-and-effect model. The most important consideration is that although the conformist and deviant innovators see this same bridge and use the term strategy to refer to it, they attach a different meaning to it because their purposes are dichotomous. For conformist innovators, who sit at one end of the bridge, receiving and exploiting cause-and-effect models, strategy is what makes conformity effectual. For deviant innovators, who sit at the other end of the bridge, creating and delivering cause-and-effect models, strategy is what makes deviance valuable. For those who locate themselves on the bridge, strategy is a philosophy of running a dynamic organisation in which the requirements for a chain of timely cause-and-effect models is understood. The purpose of this chain is to continually stock up cause-and-effect models emerging from deviant innovation, sequence and time their release both to succeed the decaying cause-and effect models and to introduce opportunities of a kind never exploited before. In a dynamic organisation, such a task is never complete. Indeed it can never end. New cause-and-effect models are continuously introduced, powerful cause-and-effect models are intensified and decayed cause-and-effect models cease. The dynamic organisation is

maintained by a strong corporate culture which facilitates the effective operation of the chain of timely cause-and-effect models.

Implications and opportunities for corporate, business and functional dimensions

In facilitating the effective operation of the chain of timely cause-and-effect models, the alignment of corporate, business and functional dimensions cannot be underestimated. Traditionally, the corporate dimension has been viewed as being concerned with the portfolio of businesses an organisation should be in, the business dimension has been considered as emphasising the way in which each business should compete while the functional dimension has been treated as serving the needs of the two higher levels. Such a view creates, in the name of efficiency, an asymmetry through a hierarchy that involves a vertical relation of subordination and superordination in the process of coordination. The word hierarchy derives from two Greek words, *hieros*, meaning “sacred”, and *arkho*, meaning “rule”, implying a system of ranking and organising things or people, where each element, except for the top element, is subordinated to a single other element. From this perspective, conflict is seen as a competition with an eventual winner and loser while peace is treated as the absence of conflict due to hierarchal domination. This approach often assumes that such a structure is flexible enough to allow each dimension perform the role it is best suited for. This, however, is only possible if original structure accepts it.

It can be argued that a dependent relationship between corporate, business and functional dimensions can be made in both directions. One, in fact, can accept that the functional dimension follows the business dimension which, in turn, is led by the corporate dimension but equally one can accept that the corporate dimension follows the business dimension which in turn is driven by the functional dimension. One position would be to consider “unless the former and or the latter is the case inefficiency results” as meaning “unless the corporate dimension matches the business dimension and the business dimension matches the functional dimension inefficiency results, the disengagement cost of which can be high”. In practice, there is a constant interplay between the corporate, business and functional dimensions. These dimensions are locked together in a trilogy. In making the corporate dimension to match the business dimension and the business dimension to match the functional dimension it is useful to think of their alignment in terms of mobilisation. To mobilise is to think of those located in the corporate, business and functional dimensions as a mob wishing to become an army. From this metaphorical perspective, each

dimension must contribute its force to the collective in a mobilised or directed way to make an impact. This metaphor of mobilisation is enlightening as the context within which the trilogy of corporate, business and functional dimensions is placed can cause them to play together in different, non-linear ways, with each dimension performing the role it is best suited for and or the role it is not suited for.

The emerging context in which organisations find themselves points to two important considerations. First, the recognition that heterogeneity, and not just homogeneity, can be a productive way of doing business. Second, a complex world creates tricky problems that need intricate solutions beyond the wit of one dimension. Within this emerging context, it is necessary to make a distinction between heterogeneous communities of interest and homogenous communities of practice. Many examples of human achievements involve the collaboration between many individuals and groups, each with unique experiences, varying interests and different perspectives. Such heterogeneous communities of interest form naturally in order to meet a multi-faceted challenge of common concern that cannot be met individually. These communities differ markedly from and must not be confused with homogenous communities of practice whose members specialise and focus on undertaking similar work. This distinction implies that the collective does not diminish the importance of the individual and vice versa. New promising directions, for example, does not necessarily have to originate from the corporate dimension and can emerge from existing capabilities of a business function or new capabilities developed within a business function and even from the individual imagination of a lone genius working in isolation.

The importance of the heterogeneous communities of interest lies in the benefits derived from differences that are balanced through horizontal alignment whereas the contribution of the homogenous communities of practice grows out of the benefits of normalising through vertical alignment. They exist in an “and/both” rather than in an “either/or” relationship. From this perspective, the effective operation of the chain of timely cause-and-effect models is not simply the sum of individual mental and physical efforts, but rather their intensification and multiplication through complementarities. It is such complementarities that provide direction, focus efforts and coordinate actions in meeting this challenge of common concern. Within the context of facilitating the effective operation of the chain of timely cause-and-effect models, corporate, business and functional dimensions render themselves ineffectual where diversity is treated as a constraint, the collective and individual are

dichotomised in competition with one another and heterogeneous communities of interest are treated as homogenous communities of practice and vice versa.

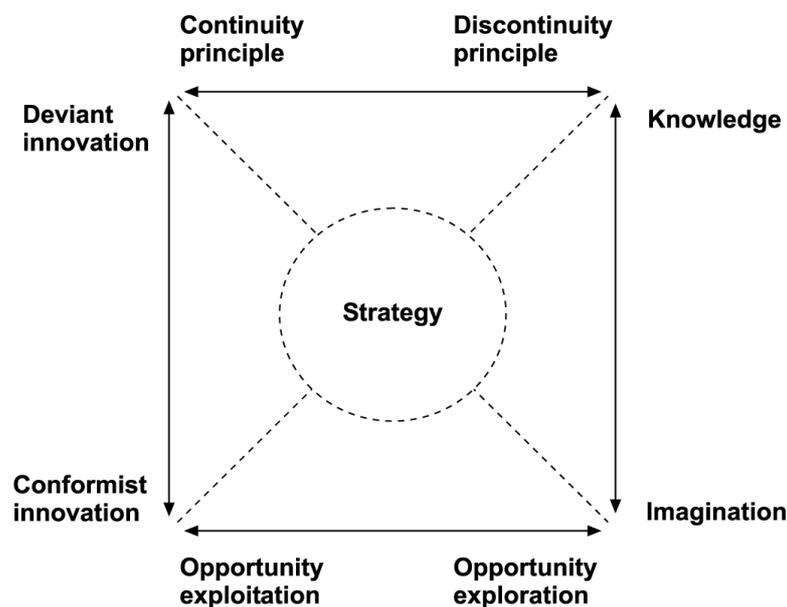


Figure 1 A framework for constructing strategy as a multi-dimensional, dynamic concept

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