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Published in:

Managing to Make a Difference BAM Conference 2013 Liverpool, 10th – 12th September

Publication date:
2013

Document Version
Tidlig version også kaldet pre-print

[Link to publication from Aalborg University](#)

Citation for published version (APA):

Larsen, M. V., Madsen, C. Ø., & Rasmussen, J. G. (2013). Strategizing in multiple ways. I Managing to Make a Difference BAM Conference 2013 Liverpool, 10th – 12th September

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Managing to Make a Difference

BAM Conference 2013

Liverpool, 10th – 12th September

Development paper for the Strategy-as-Practice track

Strategizing in multiple ways

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Abstract:

Strategy processes are kinds of wayfaring where different actors interpret a formally defined strategy differently. In the everyday practice of organizations strategizing takes place in multiple ways through narratives and sensible actions. This forms a meshwork of polyphonic ways to enact one and the same strategy. The paper focusses on such processes as they develop in a Danish service company. It is done on the basis of an empirical and longitudinal study of a strategy process in the Service Company where the strategic purpose was to implement value-based management. The theme to be developed based on this development paper is whether one can understand these divergent strategic wayfaring processes as constructive for organizations.

A wayfaring approach to strategy

Acknowledging that strategic processes often are unpredictable, and often proceed and develop in ways that the management had not anticipated or hoped for, is a premise for many scholars and practitioners in their daily attempts to grapple with strategic processes (Chia and Holt, 2009, Alvesson and Sveningsson, 2008, Jarzabkowski et al., 2007, Pettigrew, 1992, Mintzberg and Waters, 1985).

The managers from the Service Company, a company with 1500 employees, who are the actors contributing with empirical data behind this paper, also experienced how a strategic initiative on implementing value-based management can be realised, enacted and made sense of in multiple ways. Where the CEO argued: *“It’s my opinion that we’ve always lived by the values, now they have just been put on paper...”* (John year 1), the northern region manager had another opinion: *“There’s a huge gap between what we say and what we do... regarding what we put on paper and what we actually do... and ideally it should all be in line with value-based management...”* (Mike, year 1).

There is in no way anything extraordinary about these divergent opinions the managers from the Service Company express, a company with 1500 employees - a similar situation could – and most likely often do – occur in other companies. What, on the contrary, can be extraordinary is the way these divergent understandings and multiple ways to strategize can be understood and worked with. Where some might see this as a problem or a hindrance for realising the formulated strategy others are more favourably disposed and argue that the continual reweaving of the strategy is the only way the strategy can be realized (Chia and Holt, 2009, 2008).

STRATEGY AS A MULTIPLE PRACTICE

The view on strategy taken in this paper, perceive strategy and strategic processes as something actors do and not as something they have (Golsorkhi et al., 2010, Jarzabkowski et al., 2007, Whittington, 2006). Hence, it becomes interesting to study people and their actions as they are busy trying to make sense of and enact the strategy, because the sense these actors make and the actions they initiate, also when they differentiate, can tell us something about the multiple ways a strategy is being brought to life. This approach to strategy emphasizes that what can be understood as strategic is processes that are always emerging and are on the way: *“...strategy, instead of being something explicitly and boldly stated upfront, emerges organically, takes shape and infuses itself into the everyday actions of individuals and institutions.”* (Chia & Holt, 2009: xi).

Whether actions can be perceived and understood as strategic or not cannot be stated upfront (Chia and Holt, 2009, 2008). Actions may carry strategic intentionality but it is only through retrospective sensemaking that one can understand whether the actions were strategic or not (Balogun, 2007, 2006, Weick et al., 2005, Weick, 1988, 1979)

THE PRACTICE TURN

This more process oriented and becoming approach to strategy is part of a more broad practice turn within organization theory, where the benefits of studying micro- and everyday activities have gained more footing (Corradi et al., 2010, Golsorkhi et al., 2010, Jarzabkowski and Spee, 2009, Schatzki et al., 2001). Organizations and strategic processes are here understood as dynamic phenomena that continually are in the midst of becoming based on how actors make sense about the situations they find themselves in and the way they enact the sense they have made (Larsen and Rasmussen, 2013, Gergen and Thatchenkery, 2004, Tsoukas and Chia, 2002, Benson, 1977).

Studying strategists' concrete actions, diving into and taking part in the everyday flux of organizations grants one other possibilities than a more traditional and modern approach to organizational life. Studying structures: "... gives positions assignable ad infinitum, but how the body gets from one position to another it omits to mention." (James, 1909: 234). Within the approach to strategy applied here the interplay between everyday organizing and strategizing comes to play a significant role. Hence, understanding strategy also becomes about understanding everyday actions and how these everyday actions influence, and are influenced by actions that carry strategic intentionality. It becomes interesting to follow how strategic thoughts are enacted, which sense this leads to and how it takes part in developing the organization. Hence strategy as a concept is removed from its pedestal position and is instead placed in the middle of the meshed, complex and nitty-gritty everyday dynamic that organizations live in (Whittington et al., 2006).

WAYFARING AND WAYFINDING

How actors get from one position to another in this dynamic and complex meshwork and enact the strategy in sensible ways can be understood as a wayfinding process (Chia and Holt, 2009, 2008). Ingold uses the phrase *wayfaring* to describe how knowledge about the world is continually being constructed by actors as they move around in the world trying to understand the territory and the experiences they encounter (Ingold, 2012, 2010a). Following knowledge about how it will be sensible and meaningful to act in situations to come cannot be predicted or constructed up front. It is only by being present in situ and paying attention to the phenomena that continually emerge that actors can generate the knowledge necessary for them to carry on in meaningful and constructive ways (Ingold, 2010a, 2008).

Hence, strategic processes can be understood as actors' ability to handle the unpredictable, dynamic and non-linear processes and be willing and courageous to sail uncharted waters and believe that sensible ways will emerge and take shape while one is on the way (Ingold, 2010a, 2008, Chia and Holt, 2009, 2008). Trying to construct meaningful ways to move forward are here understood as relational processes, where the sense actors have constructed with each other become the starting point for their conversations about and attempts to enact the strategy in sensible ways. There is here a kind of dialectic relation between sense actors relationally make with each other and the actions they subsequently initiate (Ingold, 2010a, Gergen, 2009, Hosking, 2009, Volosinov, 1973, Weick, 1988). Sampson explains the dialectic relation in this way "... our conversations both express and presuppose a reality which, in expressing what is presupposed, we help create ..." (Sampson, 1993: 108).

THE NARRATIVE APPROACH

The quote emphasizes how language and conversations are being used to combine sense and actions. Narrative as a way to understand and organizing and strategizing processes has been acknowledged by several scholars (Boje, 2008, Carter et al., 2008, Czarniawska, 2004, Barry and Elmes, 1997). Fenton and Langley argue that: *"Overall, narrative is seen as a way of sharing meaning during strategizing activity, of constituting an overall sense of direction or purpose, of refocusing individual and organizational identities and of enabling and constraining the activities of actors."* (Fenton and Langley, 2011: 1173).

Within this paper there are not just one narrative permeating the whole Service Company with its 1500 employees, and more than 100 managers. On the contrary, there are multiple and also, at times contradicting narratives outplayed and constructed simultaneously. This emphasizes the active and participatory role actors have in strategic processes. Balogun argues that: *"We need to move away from reifying change as something done to and placed on individuals, and instead acknowledge the role that change recipients play in creating and shaping change outcomes."* (Balogun, 2006: 43)

MULTIPLE SENSE MAKING

Actors, no matter what structural level they are located within the organization, try to make sense about the situations they find themselves in the midst of and the phenomena they are presented to. And in that process they relationally through co-construction alter the sense other actors have made and attached to the situation or phenomena; *"A highly significant, but commonly ignored, circumstance is that people tend to interpret and make sense of change efforts in quite diverse ways..."* (Alvesson and Svenningsson, 2008: 15)

Actors do not interpret and make sense of the change efforts in diverse ways to annoy other actors. Within this complex, dynamic, meshed and continually becoming organizing the idea of one unifying, homogeneous and shared understanding about what the purpose of the strategy is and how it should be enacted is an illusion (Cunliffe, 2011, 2010, Hosking, 2009). There are, on the contrary, several local cultural realities within an organization and there will be differences between what is perceived as sensible and relevant within each of these local and cultural realities (Hosking, 2009, Alvesson and Svenningsson, 2008). It becomes inevitable not to alter and re-narrate the strategy as actors through relational and co-constructive conversations and actions try to enliven it in sensible ways.

*"A WORD is dead
When it is said,
Some say.
I say it just
Begins to live
That day."
(Dickson, 1961)*

Strategic documents may set a course and give positions on how to reach the final destination, but all of this will only be the starting point of several wayfaring adventures where actors within their local and cultural realities will use all of this to initiate conversations and relationally try to figure

out how to enact the strategic ideas in sensible ways. This will lead to several and different strategizing initiatives that all are sensible and at the same time sometimes also opposing, because they take their point of departure in different local and cultural realities.

THEMES FOR DEVELOPMENT

The discussion in this development paper is based on strategy where managers within the Service Company tried to enact and bring to life the idea of value-based management. How did they make sense of the strategic intention to implement value-based management? What narratives did they construct? How did the managers find their way and which ways did they find? And how did their everyday organizing influence their strategizing and vice versa.

The managers all supported the idea of value-based management and could agree on what was formally written in the new strategy. But when they in their daily practice were strategizing they enacted the strategy in very different ways and expressed divergent understandings on what was sensible. The CEO strategized in a way where he responded immediately to every customer demand no matter size and type of demands. The regional manager wanted to professionalize the company and get rid of the small customers. And the operational manager tried to keep what she saw as the old norms of the service alive. To each of them their specific interpretation was the sensible way to vitalise the values.

For a long period the polyfonic strategising processes resulted in more complex wayfaring processes weaving a meshwork of different streams of narratives. Streams that in some situations seemed to get nearer to each other and in other situations became nearly antagonistic to each other. The CEO tried to get the middle manager to understand and follow his narrative. The operational manager tried to get the regional manager to act more according to her need than to the strategy as he saw it. And the regional manager tried to convince both the CEO and his own managers on the operational level of the advantages of professionalization narrative.

This resulted in different narratives that during the period studied each made sense within the local cultural reality that each of the manager lived in, but not to the others. Together they formed a rather non-linear development of the strategy process where it seemed clear that the dialectic between how the managers understood the values, how they made sense of their work, how they enacted the strategy were very different. They all worked for more than a year together to form workable and common sensible strategising processes without nearing their views toward a common understanding. Hence created their own wayfaring within the same meshwork.

Interesting here is to discuss the processes in this one and a half year long period of time, where the the three managers all tried together to develop the strategy, and how they might have managed to work together, by accepting each other's different understandings and finding a common way. It makes one wonder how much could be gained from sharing these differing world-views and thus setting the wheels of co-action in motion again (Gergen, 2009).

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