Abstract: Many cognitive frameworks guide strategy; but few surface those frameworks most salient to business practice. We argue mental frameworks are composed of both literal and imaginative knowledge: the former helps to build models of the world, the latter analogical constructs. Both influence the discourse and behaviour of strategic leaders and constitute what we describe as knowledge domains. After exploring the knowledge domains predicted by the literature, we determine those evident in the discourse of some of the UK’s most influential corporate leaders. We present in-depth interview data from 2002-7 with 30 British CEOs and Chairs regarded by peers as demonstrating best practice in strategy. Although leaders disappointingly rely on conventional strategy models; they also frequently and intensively express non-literal knowledge. Our data challenge conventions that practitioners transfer knowledge directly from academic theory, belong to distinct schools of thought, or sequence knowledge in the way we expect.
“If Learning is a Cost without a Benefit, then Sod the Learning”: What Strategy Means in Practice to UK Business Leaders

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“If Learning is a Cost without a Benefit, then Sod the Learning”: What Strategy Means in Practice to UK Business Leaders

Summary

Many cognitive frameworks guide strategy; but few surface those frameworks most salient to business practice. We argue mental frameworks are composed of both literal and imaginative knowledge: the former helps to build models of the world, the latter analogical constructs. Both influence the discourse and behaviour of strategic leaders and constitute what we describe as knowledge domains. After exploring the knowledge domains predicted by the literature, we determine those evident in the discourse of some of the UK’s most influential corporate leaders. We present in-depth interview data from 2002-7 with 30 British CEOs and Chairs regarded by peers as demonstrating best practice in strategy. Although leaders disappointingly rely on conventional strategy models; they also frequently and intensively express non-literal knowledge. Our data challenge conventions that practitioners transfer knowledge directly from academic theory, belong to distinct schools of thought, or sequence knowledge in the way we expect.
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Introduction: Competing Strategy Frameworks

The body of knowledge we call ‘strategic management’ developed during three decades beginning in the 1960s. Although alternatives have emerged to mainstream ideas – including increasingly influential Resource Based Views (RBV) – those developed by founding fathers such as Chandler, Ansoff and Mintzberg, and Porter in the 1980s have been of seminal importance (Ramos-Rodríguez and Ruiz-Navarro, 2004). All disciplines must rely on a core set of ideas that define their focus, parameters and research agenda, but those ideas should adapt to their context to remain relevant. Given fundamental environmental changes, how relevant are traditional and newer academic ideas about strategy to practitioners? We explore this issue, with an empirical study of leading UK CEOs determining the theories, models and metaphors driving strategies in practice.

The main conceptual division in strategy is often presented as process versus content (Quinn, 1980) or formal prescriptive versus informal descriptive approaches (Mintzberg, 1994). Theorists have developed more complex taxonomies by examining assumptions underlying strategy approaches. Such classifications group strategy into formal and logical incremental models (Quinn, 1980; Brews and Hunt, 1999); linear, adaptive and interpretive approaches (Chaffee, 1985); classical, evolutionary, systemic and processual perspectives (Whittington, 2001); design, planning, positioning, entrepreneurial, cognitive, learning, power, cultural, environmental, and configuration schools (Mintzberg, Ahlstrand and Lampel, 1998).

These taxonomies usefully reveal the theoretical diversity of strategic management, enabling us to classify research and suggest alternative approaches (Fabian, 2000). This may help to advance theory by promoting plurality and reflexivity. Rather than uncritically accepting strategy as a monolithic theory based on formal planning (Ansoff, 1965), positioning (Porter, 1980, 1985) or incrementalism (Mintzberg, 1994); we can build ideas upon a number of alternative platforms. Each platform may contribute towards a rich set of perspectives enabling us to view strategy more holistically (Mintzberg, Ahlstrand and Lampel, 1998). If clusters of academics specialise in a different area rather than work on similar issues in similar ways, this is an efficient division of academic labour and encourages the simultaneous advancement of new theory along many fronts, improving understanding of strategy and preventing paradigmatic closure – the exclusion of competing ideas by focusing on a single dominant approach (Hassard, 1990).

The counter-argument is this variety of views has created fragmentation, not pluralism, dangerous for the future of the discipline. Fragmentation may inhibit the theoretical momentum necessary for advancing theory because strategists fail to participate in the common discourse of a widely-accepted and shared new paradigm (Bowman, 1995; Calori, 1998). Rather than promote intellectual diversity, disintegration may cause strategy to lose its distinctiveness as an intellectual field of enquiry, reducing coherence and influence. Its disparate research agendas may become colonized and eventually taken over by other disciplines such as economics, psychology or sociology. Rather than being preoccupied with intellectual novelty, the alternative is an incremental building of new onto existing theory via replication, extension and refinement, strengthening the core of the discipline (Hambrick, 2004). This paradigm advancement versus fragmentation debate is paralleled in recent writings in organizational theory (Hassard, 1990; Willmott, 1993; Jackson and Carter, 1993) and international business (Buckley, 2002; Peng, 2004; Shenkar, 2004), where soul-searching attempts to identify core constructs and research questions.
“If Learning is a Cost without a Benefit, then Sod the Learning”: What Strategy Means in Practice to UK Business Leaders

Boyd, Finkelstein and Gove (2005) recently reviewed the state of the strategy field, concluding strategy is both a mature and immature paradigm, displaying fragmentation in terms of a lack of theoretical consensus and low productivity, with many academics never publishing a single major journal article. More universalistic factors such as research and writing ability prevail over author prestige in publishing influential articles, indicating some sense of paradigm maturity. Others see consensus throughout the history of strategy. The concept of match, or fit, between internal capabilities and external possibilities provided the foundation for and link between mainstream strategy texts of the 1950s onwards (Mintzberg, Ahlstrand and Lampel, 1998). The central themes of positioning and core competences allowed similar theoretical cohesion in the 1980s and 1990s respectively (Porter, 1880, 1985; Prahalad and Hamel, 1990). Although taxonomies show this consensus being challenged by cultural, interpretive and other approaches, a major bibliographic study suggests this is confined to the periphery. Classical and Porterian approaches still represent the mainstream, with RBV and transaction cost theories emerging strongly as candidates for a new unifying paradigm since the late 1990s (Ramos-Rodríguez and Ruiz-Navarro, 2004).

Practitioners may be forgiven for confusion when facing seemingly endless ways to formulate and implement strategy, yet academia has been slow in evaluating how practitioners respond to these issues. If classical approaches have indeed dominated the theoretical mainstream and RBV has become the precocious new-kid-on-the-block, evidence for their pervasiveness should be found in business strategists’ explanations of their practices. We would expect contemporary practitioners to buy into mainstream approaches rather than explore a fragmented plurality of ideas. Among rare empirical practitioner studies, Brews and Hunt (1999) found organizations use formal and informal approaches. In stable environments, less formal planning was required, while unstable contexts made tailored, flexible processes necessary. More recently, Grant (2003) explored the practices of eight global oil companies –regarded as at the forefront of strategy development –discovering that although all had corporate planning units, dramatic and unpredictable environmental change meant major strategy decisions were made outside these systems. Grant accused the main process versus content protagonists as maintaining ‘caricatures’ unrelated to the realities of planning.

These studies have been influential, but limited in scope. Brews and Hunt’s work examined the perceptions of US business executive students, while Grant focused on one industry. Despite the academic debates of the last 20 years, there is a surprising lack of empirical research on how strategists in major companies actually practise strategy and whether contemporary academic texts have been operationalised or more classical approaches followed.

We explore the extent to which strategy-in-practice has been influenced by competing academic theories. To make sense of these theories, we first identify the major domains academic theories fall into. This does not mean building a better mousetrap by developing another taxonomy; rather, it means organizing existing frameworks into a more cohesive classification and updating them. This is achieved by considering the underlying assumptions uniting the various approaches. These assumptions are surfaced through ontological and epistemological constructs. Because the major taxonomies were constructed in the 1980s and 1990s, we also bring more contemporary theories into the fold. This helps determine the menu items practitioners may choose between when operationalising strategy. We then explain our method of exploring which strategy approaches are most evident in the discourse of some of the UK’s most influential corporate leaders. We present in-depth interview data from 2002-7 with 30 British CEOs and Chairs regarded by their peers as demonstrating best strategy practice. The discussion
“If Learning is a Cost without a Benefit, then Sod the Learning”: What Strategy Means in Practice to UK Business Leaders

considers how relevant strategy theory is to practice in contemporary business. Do practitioners simply reflect mainstream academic ideas, or do they demonstrate innovation and diversity in applying strategy?

Knowledge Domains in Strategy Theory

There is more parsimonious and revealing way of codifying and understanding the diverse strategy approaches, using fundamental theories of knowledge. According to these all theories rest on basic assumptions, or ‘frames’, about the nature of the world (ontology) and human knowledge (epistemology). If these deeper assumptions are revealed, they help make theories more robust by forcing us to acknowledge theoretical constraints (Burrell and Morgan, 1979). They also provide a means of capturing underlying commonalities and differences between approaches. We term each of these approaches a strategic knowledge domain: an ontological and epistemological frame with unique underlying assumptions that in turn influence how decision-makers strategize in the organization and which models and metaphors are applied.

Organizations can be seen in fundamentally different ways through each frame. However, the knowledge associated with each frame is complex and multi-dimensional, involving both literal models and metaphorical knowledge. Gavetti, Levinthal and Rivkin (2005) argue that wider deductive frameworks initially help limit and simplify problems before more local analogical processes take over and complete decisions. Managers use analogies based on theoretical frameworks or prior experience to bridge this gap, borrowing a set of related choices from one situation and applying this to a new situation. The effectiveness of the analogy depends on the validity of similarity mapping between the source and target contexts and the quality of the source context solution. Therefore, Porter’s five forces model may represent an adequate representation of the competitive forces in its source industry; but may be a poor mapping in another target industry. There is a danger of superficial mappings if there are too many variables, source and target context are too different, or if the strategist’s experiences or theoretical knowledge are limited.

Models and metaphors are important constituents of this analogical process. These items of knowledge vary in the degree of similarity mapping between source and target contexts: a model attempts a literal one-to-one correspondence or mapping of concept to reality and a metaphor encourages imaginative conceptual contortions with no direct correspondence to reality (Ghyczy, 2003). There are also a number of other non-literal tropes, or figures of speech, such as metonyms, anomalies and ironies, that add to a rich complexity of linguistic attempts at representing knowledge (Oswick, Keenoy and Grant, 2002). Both literal and non-literal components are important in operationalising knowledge. So, Porter’s five forces model is a widely-used literal representation in relevant contexts; while metaphors can help solve seemingly intractable problems by encouraging managers to think beyond restrictive, customary routines. Organizations have been viewed as jazz bands, cartons of yoghurt, sailboats, spider plants and many more seemingly unrelated objects (Morgan, 1989; Palmer and Dunford, 1996); contributing important insights into strategy (Carroll, 1993; Barry and Elmes, 1997).

Table 1 summarises the main domains evident in the strategy literature, differentiated by categories of form and time.

[INSERT TABLE 1 ABOUT HERE]
“If Learning is a Cost without a Benefit, then Sod the Learning”: What Strategy Means in Practice to UK Business Leaders

The mainstream sees strategy as a function of *rational-economic* organization (Ramos-Rodríguez and Ruiz-Navarro, 2004). The table shows metaphors of structure, machine/ circuit, bundle of resources and set of transactions underlie this view. The organization is assumed to consist either of a *structure* or skeleton with embedded processes emerging from a dialectic of differentiation and integration (Lawrence and Lorsch, 1967). As an electro-mechanical *machine* it is divisible into sub-assemblies and components in the interests of efficiency or effectiveness, with growth due to the addition of plant or resources over time (Taylor, 1947). Alternatively, strategic ‘fit’ is achieved between the organization and its environment by realigning interdependencies (Rumelt, 1979). In resource based views (RBV) an organization is a *bundle of resources* matching internal capabilities and competencies in order to secure competitive advantage over external rivals (Wernerfelt, 1984; Barney, 1991). Many contemporary knowledge-based approaches stem from RBV (Polanyi, 1966; Prahalad and Hamel, 1990; Nonaka and Takeuchi, 1995), although favouring more intuitive, tacit and subjective forms knowledge (Grant, 1997). Other influential rational-economic metaphors and models include evolutionary economics (Nelson and Winter, 1982) and agency theory (Jensen and Meckling, 1976).

Rational-economic metaphors are based on a series of *models* assuming the organization is a *micro-economic system* within a larger macro-economic system. Economic approaches may cause managers to match strategy and structure (Chandler, 1962); focus on scientific management (Taylor, 1947); Total Quality Management (TQM) (Crosby, 1980) or Lean Manufacturing (Womack, Jones and Roos, 1990); use SWOT in a ‘classic’ strategy model (Whittington, 2001); follow positioning models (Porter, 1980, 1985); undertake resource-based analysis of a firm’s capabilities and competencies (Barney, 1991); minimize transaction costs (Williamson, 1985); or follow a number of variant models (Hofer and Schendel, 1978). Note that models are not simply techniques. Each makes different assumptions about the world and the nature of knowledge: for example, varying in prioritizing internal or external factors. They are grouped together here because they are all concerned with the conscious design of overarching, future-oriented schemas to match the organisation to its economic environment (Drucker, 1974). Temporal dynamics are based on reducing, smoothing, matching, aligning and rescheduling activities, resources and transactions within chronological organizational and macro-economic cycles (Stalk and Hout, 1990; Ancona et al., 2001). Micro-market models are also influenced by ‘laws’ or axioms of supply and demand. For example, the quantity demanded of a good is normally regarded as inversely related to its price - the first law of demand (Reekie and Allen, 1991). A rich history of economic research supports such propositions, but also identifies instances where they may not hold: for example, where there are bandwagon, snob or conspicuous consumption effects that cause demand to act in unexpected ways (Liebenstein, 1950). However, we do not need to accept any approach as a literal model to make it behaviourally useful. Beyond the literal question of whether economic systems are appropriate mappings of reality is the question as to whether managers act as if they are. In other words, in any given knowledge domain, we would expect metaphors to be associated with particular models that influence behaviour.

Although economic approaches dominate strategic management (Ramos-Rodríguez and Ruiz-Navarro, 2004), other knowledge domains are evident in the literature and contain both literal and metaphorical dimensions. An *organic* domain includes popular metaphors of the organization as a living organism or collective brain, rather than an inanimate mechanism. Organism metaphors tend to follow a bounded view of rationality in which organizations are
“If Learning is a Cost without a Benefit, then Sod the Learning”: What Strategy Means in Practice to UK Business Leaders

unitary entities but do not function at their optimum because of the impact of mediating behavioral and environmental factors. We would expect these metaphors to be associated with particular models based on organic or cognitive assumptions. For example, current research on physiological responses to social interactions (Heaphy and Dutton, 2008) focus on equilibrium in the organization’s ‘body’ in a similar way to biologists or medics studying homeostasis in individuals. Temporal dynamics are mainly in terms of organic growth and organizational, market and product lifecycles. A brain metaphor sees the organization composed of cognitions, maps and neural networks, adding value to data to transform it into knowledge. Learning and entrepreneurial approaches to strategy (Argyris and Schon, 1978; Senge, 1990), cognitive models (Huff, 1990; Calori, Johnson and Sarin, 1994) and some knowledge approaches (von Krogh and Roos, 1994; Thompson and Walsham, 2004) emphasize the ability of the organization to function, develop and govern itself as a cohesive entity to create and use knowledge effectively. Does the organisation as a complCognitive or physiological characteristics should encourage adaptive (Chaffee, 1985), incremental (Quinn, 1980), emergent/environmentally-deterministic or synoptic (Brews and Hunt, 1999) strategy based on descriptive views of decision processes (Mintzberg, 1994) and satisficing behaviour (March and Simon, 1958; Cyert and March, 1963).

Common social frames see the organization less as a unitary entity and more as a fragmented confederation of phenomena emerging from human social systems such as cultures, identities, political interests, games, dramas or psyches. Strategy is embedded in subjective local social structures, individuals, groups and processes. Models include interpretive approaches to strategy (Chaffee, 1985), social systemic (Whittington, 2001) and cultural and political schools (Mintzberg, 1994), typified by multiple stakeholders, plural cultures and dispersed power. Generally, adherents take a processual view of strategy (Whittington, 2001) in which bargaining and learning occurs in the pursuit of collective goals. Knowledge is based on interpersonal and intra-personal relations, power, relationships, emotions and morals. This contrasts with the binary logic of economic and organic approaches, where strategy is based on Enlightenment-based ‘reason’: the faculty to make judgements and separate what is true from what is false (Calori, 1998). Views may vary as to the degree social phenomena can be deliberately influenced, with some seeking to mould culture/identity into a controllable, cohesive unitary entity; and others accepting a more plural form of organization premised on understanding not control (Smircich, 1983). Those articulating social metaphors and models may share a temporal view of shifting organizational alliances, symbols, stakeholders, power, values and other ‘soft’ people-based phenomenon that achieve at the most a temporary steady state for an organization, unlike the stable equilibrium predicted by economic models. Time may be viewed as cyclical or a subjective social phenomenon in which organizational people experience different temporal rhythms (Mosakowski and Earley, 2000).

A fourth hegemonic knowledge domain is emerging from poststructural and Marxian social theories but is rare in major strategy taxonomies. This is arguably because such European-based theories are inherently critical of capitalism and more difficult to reconcile with private sector strategy. They have only recently begun to penetrate the major international journals (for example, von Krogh, Roos, Slocum, 1994; Løwendahl and Revang, 1998; Vaara, Kleumann and Seristö, 2004). Approaches are diverse, but two metaphors are particularly influential. The idea of a ‘psychic prison’ emerges from the work of Foucault (1965), arguing that people are trapped ideologically within the modern organizational form. Liberating consciousness through understanding the perceptual worlds constructed by social narrative or discourse becomes the main temporal dynamic to counter psychic prisons (Barry and Elmes, 1997; Løwendahl and
“If Learning is a Cost without a Benefit, then Sod the Learning”: What Strategy Means in Practice to UK Business Leaders

Revang, 1998; Phillips, Lawrence and Hardy, 2004; Vaara, Kleymann and Seristö, 2004). Marxians stress material repression through an underlying economic rather than ideological structures and processes. This is the key instrument of domination, with capitalism creating identity crises in individuals by focusing efforts on goals such as career progression and individual freedom rather than challenging dominant social relations. Here, material emancipation is the main temporal dynamic, with critical reflection making workers aware of their economic situation and organizing themselves to challenge capitalism (Willmott, 1990).

Methodology

We sought to understand how senior UK practitioners conceptualized and articulated competitive strategy. The aim was to the role of metaphors and models were evident in discourse about strategy. We adopted a key informant data collection process common in strategy research targeted organizational leaders responsible for strategy development (Slater, Hult and Olsen, 2007). Leadership networks and business consultants were used to identify and access organizations generally regarded by peers as demonstrating ‘best practice’ in strategy; with interviewees representing some of the largest and most influential companies in the country. The decision to target such individuals meant considerable time and effort in gaining access. Relatively unstructured two-hour interviews were conducted during 2002-7 with thirty CEOs and Chairs in major UK firms responsible for determining where, why and how their organisations engaged with their markets.

A theoretical sampling approach based on in-depth interviews was used rather than large-scale hypothesis testing, in order to illuminate and extend relationships and logic among constructs from a set of cases (Eisenhardt and Graebner, 2007; Yin, 1994). Brews and Hunt (1999) followed the former research design, but used quantitative questionnaires from senior and mid-level executives who were either current business students from three US business schools or members of two private industry networks. Aside from possible geographical and occupational biases, Brews and Hunt’s quantitative method was unlikely to allow the generative properties of richness permitted by in-depth interviews (Weick, 2007). The number of interviews we achieved compares favourably with Grant’s (2003) study of strategy practice, which was based on 28 interviewees in 8 firms. Unlike Grant, we selected only one unit of analysis within each setting (an holistic design), since the person selected in each company or division was identified as being actively engaged in, and responsible for, competitive strategy. Those holding their current organizational positions for a minimum of two years should be in a position to reveal the tacit knowledge of strategising in their current context (Slater, Hult and Olsen, 2007). Rather than focus on one industry and collect 2 or 3 interviews from each firm, such as Grant with oil companies, our interviews provided maximum variation across business-to-business sectors and included representatives of automotive, aerospace, insurance, credit management, banking, healthcare, pharmaceutical, chemical, electronics, information technology (software, hardware and solutions), mining, energy, internal architecture, distribution, and waste management industries.

We used a ‘means-end-chain’ technique (Reynolds and Gutman, 1988), asking the respondent to recall their most recent strategy development experience and factors driving and bounding that process. Applying a deep form of discourse analysis (Phillips, Lawrence and Hardy, 2004; Vaara, Kleymann and Seristö, 2004), emergent themes were shaped from the data, compared to prior
established theoretical positions, then revisited, reviewed, and revised or rejected. Further cases were categorised, examining for consistency or inconsistency with developed themes. Explanations were sought, adjusted, and examined for consistency with those cases categorised first (Dey, 1993, Marshall and Rossman, 1989). Research questions driving data generation were:

- How do senior executives understand competitive strategy and how do they articulate its component parts?
- What are the roles of metaphors and models in strategy definition?
- What organizational and external factors determine and bind the competitive strategy process?

Findings and Discussion

UK captains of industry used three of the knowledge domains predicted by the literature in their explanations of what strategy meant to them and how it was operationalised. Discourse included references to formal models associated with each domain, as Table 2 summarises. Models such as SWOT, segmentation, cost leadership, Porter’s five forces and Ansoff’s product-market matrix were used widely in predominantly rational-economic views of the firm; with SWOT applied almost universally. This shows that longstanding, mainstream approaches identified by Ramos-Rodríguez and Ruíz-Navarro (2004) continue to be accepted and used by practitioners as legitimate ways of pursuing strategy. Companies modified standard techniques for specific contexts and strategy imperatives and utilised technology in the process, but the underlying rational-economic logic remained. Typically:

“We’ve just done a SWOT study yesterday with consultants…to improve analysis and business planning under a proper marketing department…developing …ways of measuring our competitors, SWOT analysis on everything we do, channel by channel analysis, and our forecasts. Our sales department in turn have got a hell of a lot better this year with sales forecasting by product and by product group…Except, a SWOT analysis that we do will follow the…new recommended way of [names consultants], …not four boxes…It’s eight…A regular SWOT analysis only looks at the outside world. (Interviewer: Yeah? Not the inside world?). Yeah. So, the extra four boxes are things…that we need to start doing now. …we’ve said, ‘Ok, let’s see if we can break down this vision into 5 into some key goals’…A lot of this is done in software as well, a nice model we’ve got here”.

Conventional tools were not always directly applied at the top level of decision-making, but were expected to support data-led strategic analysis at other levels inside or outside the organization. This partly accords with Grant’s (2003) study, which argued major strategy decisions often lie outside formal strategic planning systems; although in our interviews, important strategic decisions at the highest level were supported by in-depth analysis elsewhere. Important strategy decisions were generally based on these data, rather than as a consequence of unrelated deliberations in a separate system, as Grant implies:
“If Learning is a Cost without a Benefit, then Sod the Learning”: What Strategy Means in Practice to UK Business Leaders

“You won't see any SWOT charts at this level. At this level, you want to see the consequences of this analysis rather than the analysis itself. And the implication that the analysis has been done, and it has, is at another level in the organisation”.

Cost management was a strong driver among all interviewees, concurring with Grant’s (2003) findings. Many companies were market leaders, but even in smaller innovative companies there was a prominent rational-economic rationale to ensure growth with an ever-reducing cost base. This rationale cut across all sectors and was a key strategic imperative whether the company was lean or rich in resources:

“But you've also got to achieve cost leadership…The strategy is to be the best in the market and earn the money…Competition should not be a worry, but should be a challenge. You have to try to be ahead in the market. It is heavy work to stay at number one because you must survive the attacks of the others…Therefore we focus on what we can do to reduce costs, since prices are already reduced by competitors…So the only way to stay in the market is to reduce costs”.

Some evidence emerged of the need to alter conventional approaches in the light of environmental changes. Leaders articulated the need for flatter, more decentralized configurations and TQM/Lean Manufacturing processes to increase efficiency and effectiveness. There was also signs of other, less rational-economic knowledge domains being applied. Exploratory scenario planning, focus groups, implementation processes, and vision were among models used in more organic and cognitive dimensions; while leaders spoke of the importance of changing values, rotating senior managers, ‘fit’ in mergers and acquisitions and partnering/stakeholding relationships in social models and metaphors. This extends the conclusions of Grant (2003), who showed the importance of a formal strategic planning process in all oil companies, but a recent tendency towards more flexible and less predictive modes of strategy.

“We use standard strategy techniques. SWOT is expected by the corporate office…SWOT is a framework that is provided, but we prefer a holistic approach in looking at the total effect, which is more organic, rather than just a functional emphasis”.

Generally, however, we were disappointed with the reliance on traditional models and the lack of more innovative approaches to strategy. Despite claims that Resource-Based Views (RBV) and knowledge/learning philosophies are gaining influence among strategy academics (Ramos-Rodriguez and Ruiz-Navarro, 2004), there is little evidence that contemporary RBV or learning principles have substantively filtered into the cognitive frameworks of senior UK industrialists. Several leaders were graduates of premier international business schools and some were familiar with recent advances in RBV and knowledge management. Reference was made to acquiring competencies through mergers and takeovers, knowledge transfers and the development of deep domain expertise; but this discourse was scant and critical. As one leader explained:
“If Learning is a Cost without a Benefit, then Sod the Learning”: What Strategy Means in Practice to UK Business Leaders

“We don’t come at it from the point of view of ‘Let’s be academic and let’s be a learning organisation’, you know. If learning helps us do better in our business, that’s fine, we’ll do our learning. If learning is a cost without a benefit, then sod the learning”.

Neither was poststructural discourse evident among leaders. This may be because although part of European organizational theory for some time, such ideas are still fairly new to strategic management theory; and have not yet permeated through to practice. Whether they do and what influence they may have in the future may depend on their acceptability to a sceptical audience. As suggested earlier, poststructural ideas are largely critical of large corporates and it may not be in the political interests of powerful leaders to challenge the tenets of private capital. We may expect such language more among employees, interest groups and academics ideologically opposed to corporate capitalism. This does not mean that poststructural approaches are irretrievably hostile or irrelevant to big business, rather their potential contributions need appreciating. Associated approaches such as discourse analysis may actually help leaders understand more about their organizations than more simplistic, superficial techniques such as SWOT. Implementation may also be assisted through generative conversation. Generative conversations are recursive texts that are produced interactively between people and are linked rhetorically and temporally. They may help build generalized membership ties based on specific issues or problems, or particularized ties based on building direct relationships (Hardy, Lawrence, & Grant, 2005). If stakeholders talk to each other in a meaningful way (i.e. where participants’ value systems are articulated), common ground may develop and effective collaboration balance stakeholder concerns and promote collective identity through learning (Gioia, 1998). Genuine dialogue about strategy-making between academics and managers may promote more fundamental debates about the causes and consequences of the ‘academic-practitioner divide’, challenging each group’s mutually-constituted negative labels and allowing deeper inquiry as to what problems and issues may unite participants (Isaacs, 1993; Kofman and Senge, 1993). Again disappointingly, the idea of generative conversation *per se* did not feature in the discourse of interviewees. The importance of communication in strategy was articulated, but generally in terms of a one-way, top-down process to assist implementation rather than formulation:

“From the outset, everybody had to understand the positives and negatives officially, not through the grapevine. So we have a factory assembly once a month, much more open than [names another company] was. In the assembly, we give business results updates and new customers obtained. This is put in simple terms, getting people to understand why decisions are made. It is a one-way communication device…We also have a joint consultative committee”.

“This vision must be communicated to people, in order to make a difference and allow them to contribute to this. My purpose is the development of people, not just the development of results. So I don't just aim to get the best return on assets, or profit and margin…But we also need a well communicated vision, and must check the reception of this. Every month we have a team briefing read to employees, as well as a works council meeting, in which we share figures with unions and others - although I'm suspicious of their approach”.

“If Learning is a Cost without a Benefit, then Sod the Learning”: What Strategy Means in Practice to UK Business Leaders

“Implementation is often a problem. We put enormous effort into communicating strategy to staff via brand values etc”.

Adherence to conventional strategy models contradicted a general concern over the lack of creativity in leaders’ organizations. This was articulated by many as a major strategic constraint, with creative thinking in large companies difficult to facilitate and solutions unclear. This again points to the need for more innovative strategy to make companies work better in practice:

“We need ideas, we need creativity. That's what we really need. And ways that people can express that. So that that's the boundary, probably for us, it’s imagination. Which is why we’re talking about imagination and growth all of the time….So, the big challenge for us …So the big question…“Where do we get, where do the ideas come from? Where can we find, a) the ideas and b) the people that are prepared to put those ideas into practice and take risks with their career, as a consequence of putting them into practice?” That tends to be, I think, the boundaries that challenge us as a large company”.

Other findings from our research substantively challenge previous studies. Organizational leaders frequently articulated non-literal linguistic constructs, which indicates imaginative components are important in operationalising strategy knowledge (Ghyczy, 2003; Oswick, Keenoy and Grant, 2002). These were not identified by Grant (2003), Ramos-Rodríguez and Ruiz-Navarro (2004), or Brews and Hunt (1999) and support the argument that strategists use analogies based loosely on theoretical frameworks rather than simply apply standardized models such as SWOT or five forces. Examples abound of figurative discourse from the main knowledge domains. The following extracts illustrate the way metaphors are applied from each domain in describing strategy practices:

“So there is a machine part of it, if you like, there's an incessant and um er a very, you know, well structured machine which grinds through these processes, but recognising that people have to make this work in the end”.

“I picture the future as an organic organisation, with nobody at the top or at the bottom. People come to work knowing what to do and they control themselves, leading to results. At the moment, the change programme is being driven by the top, but ideally in the future it won't be. Our change programme is five years old, but is a continual process of change”.

“And the test has always been, ‘Well, will they fit in the van, you know?’ After a week of it you want that person out? Are they comfortable with us, are we comfortable with them? But we've never really written it down. So this year, I introduced the um the notion of trying to define what our culture is…and what we should be recruiting on is fit first. That's why you see that phrase here. ‘We value and recruit people who believe in us and are the same culture as we are’.”
“If Learning is a Cost without a Benefit, then Sod the Learning”: What Strategy Means in Practice to UK Business Leaders

“Luck is also important. You can achieve anything, depending on whether you're willing to pay the cost. You must ensure that luck happens to you and not to others, so you need a plan and a strategy to make yourself lucky -a proactive strategy to develop networks, and so on. We are not opportunistic, but think widely. We're using somebody else's R&D to make ourselves self-sufficient, although we're not supposed to”.

“The people focus is about changing attitudes and behaviour. Attitudes are hard to change, but behaviour is easier to change. We don't emphasise KPIs, which are just based on outcomes; but Key Behavioural Indices (KBIs), which is about behaviour that gives you those events”.

As stated earlier, Gavetti et al. (2005) argued conventional strategy models provide widely-known, deductive structures to limit and simplify problems in the first instance; before more local, inductive cognitive processes take over and help complete decisions. We found compelling evidence that the application of the rational-economic early in the strategising process constrains the role of other knowledge domains to that of confirming, rather than disconfirming conclusions. This is an important finding because it indicates the sequence of application of knowledge domains is different to that previously thought. Conventional models are not necessarily used as analytical tools in the early stages of formulation, but to justify and validate decisions already made on the basis of experience:

“It's where strategic models come in. In practice you post-rationalise them by using them…in other words, it's in your mind. if you're you’re experienced…what I mean by that I think a lot of MBAs rely too much on the tools…It's not as if I don't plan dates out, but actually what happens on the day is as important as you've planned ahead. and what comes out of those influences, what happens next, in other words, it's not all cast in stone…and I think I'm actually much more conscious of process, but not in a structured way. I'm more conscious of process in terms of where we are, not in terms of a detailed project plan”.

Leaders also combined rational-economic, organic and social models and metaphors, so none of the strategy domains existed in ‘pure’ form in discourse; but in complex, multidimensional hybrid mixes. Rational-economic discourse was still the overriding linguistic imperative, with conventional models and metaphors dominating, but was combined with organic and social frameworks. They did not appear as a discreet strategy schools or perspective as some argue (Whittington, 2001; Mintzberg, Ahlstrand and Lampel, 1998). This challenges conventional taxonomies, supporting the argument that strategy in practice contains both formal and incremental dimensions (Brews and Hunt, 1999). The discourse reinforces our theorising on the epistemological and ontological roots of operationalised constructs, suggesting that the practice-process duality is too simplistic a divide in reality and that planning-in-practice contains complex, multi-faceted linguistic dimensions. Strategy is seen more as an imprecise blend of several knowledge domains than a definite science based on a set of axiomatic principles. Traditional models are highly evident, but are not relied upon to define strategy responses. They are part of a series of sophisticated economic, organic and social tropes used to articulate a more integrative approach.
“If Learning is a Cost without a Benefit, then Sod the Learning”: What Strategy Means in Practice to UK Business Leaders

Other metaphors emerged not readily fitting conventional knowledge domains and were not readily linked to strategy theories. These concerned music, animals, spaceships, buses, speedboats, and tables. Although some are familiar from everyday business discourse, they evidence the conclusion that practitioners create strategic knowledge from analogies, rather than simply adopting academic metaphors and models. This is an important extension to the literature because it emphasises the cognitive agency of strategists in making sense of strategy-in-practice. Leaders do not merely transfer knowledge generated by academics continuously from the research domain into the organizational domain. Instead, unrelated analogies appear to constitute a discontinuous knowledge transfer domain and are an influential element in strategists’ cognitive processes. It is therefore important to consider the contribution of knowledge domains to strategy that have no apparent link with the business world. Examples of such imaginative contortions include:

“Business strategy is four legs of a cow…We’re not going to change it very much, but we’re allowed to tweak it every year in terms of where we going…they were building on four legs of the cow that have already been done by the Group”.

“And I gave them an extract from the presentation…but intentionally did not hide the right people on the bus element. Which maybe worked or maybe didn't, but certainly rattled them a bit”.

“One of our advantages is, you know, being in a speedboat, while they’re in an oil tanker…not a lot of hierarchy in the structure”.

“Imagine this business is this table. So, you you buy the parts for the table, you assemble the table, you get a distribution team together, you sell the table, you deliver the table, you collect your money for the table. And a year and a half later you get a bill for the parts. And that’s our business. We do all of it and we get our bills later on. We don’t know what our costs will be when we sell our product. We can estimate, we can guess, but a change in the law, um all sorts of things can um upset that very delicate balance. Um, so either managing your your claims costs in particular is a very key element”.

“Er, if you make pianos, the connection with your customer is extremely intimate. And therefore the quality of the performance of the pianist is directly related to the quality of the tuning in the construction of the piano, with one thing on the stage. And that’s the way we see ourselves in a way, we’re one thing with the doctor when he’s looking at a patient’s x-ray, or whether he’s looking at an MR scan, or whether he’s monitoring a patient’s heart condition”.

Our study has shown that traditional academic theories and models still dominate the practice of strategy in large UK organizations. Newer academic frameworks such as RBV and post-structural approaches are rarely articulated. However, leaders frequently express non-literal knowledge in their explanations and rationales about strategy in practice. We challenge research that practitioners transfer knowledge directly from theory, belong to delineated schools of thought, and sequence knowledge in a general-to-local sequence.
“If Learning is a Cost without a Benefit, then Sod the Learning”: What Strategy Means in Practice to UK Business Leaders

Limitations naturally emerge to our findings. We followed a theoretical sampling method; but the discourse of other national and international business leaders may help confirm findings in other contexts. A follow-up study may tap down into each case organization to compare leaders’ discourse with that of other strategy participants. Inevitably discourse analysis may attract criticism from behaviourists intent on studying what people actually do when making strategy; but we have shown that linguistic components play an important role in the cognitive frameworks of those leading strategy.
“If Learning is a Cost without a Benefit, then Sod the Learning”: What Strategy Means in Practice to UK Business Leaders

**Table 1. Theoretical Strategic Knowledge Domains**

<table>
<thead>
<tr>
<th>Knowledge domain/ Organisational Metaphor</th>
<th>Knowledge domain components</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Salient Forms</td>
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<td>Temporal Dynamics</td>
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<tr>
<td>Rational-economic Structure</td>
<td>Roles &amp; responsibilities;</td>
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<td></td>
<td>Reporting; Configurations</td>
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<tr>
<td>Machine/Circuit</td>
<td>Sub-assemblies; Components;</td>
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<tr>
<td></td>
<td>Cogs &amp; wheels; Networks; Loops</td>
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<tr>
<td>Bundle of Resources</td>
<td>Resources; Capabilities;</td>
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<tr>
<td></td>
<td>Competencies</td>
</tr>
<tr>
<td>Micro-Market Economy</td>
<td>Economies; Markets</td>
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<tr>
<td></td>
<td>Alignment of supply &amp; demand;</td>
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<tr>
<td></td>
<td>Meeting customer wants &amp; needs;</td>
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<tr>
<td></td>
<td>Economic cycles;</td>
</tr>
<tr>
<td></td>
<td>Globalization</td>
</tr>
<tr>
<td>Organic</td>
<td>Systems; Sub-systems;</td>
</tr>
<tr>
<td>Organism</td>
<td>Body; Cells</td>
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<td></td>
<td>Organic Growth;</td>
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<td></td>
<td>Physiology/health;</td>
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<td>Lifecycle;</td>
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<td></td>
<td>Evolution;</td>
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<td></td>
<td>Ecology</td>
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<tr>
<td>Brain</td>
<td>Cognitions; Neural networks;</td>
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<tr>
<td></td>
<td>Cognitive maps</td>
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<td>Development through</td>
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<td></td>
<td>learning/knowledge;</td>
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<td></td>
<td>Creativity/ innovation</td>
</tr>
<tr>
<td>Social</td>
<td>Attitudes; Norms;</td>
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<tr>
<td>Culture/Identity</td>
<td>Assumptions; Values;</td>
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<td></td>
<td>Beliefs; Perceptions;</td>
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<tr>
<td></td>
<td>Symbols</td>
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<tr>
<td>Polity</td>
<td>Interests; Conflict;</td>
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<tr>
<td></td>
<td>Power</td>
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<tr>
<td>Game</td>
<td>Rules; Play; Competition</td>
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<tr>
<td></td>
<td>Winning and losing</td>
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<tr>
<td>Drama</td>
<td>Actors; Roles;</td>
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<tr>
<td></td>
<td>Relationships; Trust</td>
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<tr>
<td>Psyche</td>
<td>Mind; Id; Ego; Superego;</td>
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<tr>
<td></td>
<td>Behaviour</td>
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<tr>
<td>Hegemonic</td>
<td>Collective Consciousness</td>
</tr>
<tr>
<td>Psychic Prison</td>
<td>Superstructure, sub-structure &amp; proletariat;</td>
</tr>
<tr>
<td>Instrument of Domination</td>
<td>Classes; Labour process</td>
</tr>
<tr>
<td></td>
<td>Liberation of consciousness</td>
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<td></td>
<td>Material emancipation</td>
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</tbody>
</table>
"If Learning is a Cost without a Benefit, then Sod the Learning": What Strategy Means in Practice to UK Business Leaders

Table 2. Strategic models associated with knowledge domains in practice

<table>
<thead>
<tr>
<th>Knowledge domain/ Organisational Metaphor</th>
<th>Associated strategy models</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rational-economic Structure</td>
<td>Flatter/ decentralized structures</td>
</tr>
<tr>
<td>Machine/ Circuit</td>
<td>Budgeting; Total Quality Management; Six Sigma; Lean Manufacturing; Investors in People Programme</td>
</tr>
<tr>
<td>Bundle of Resources</td>
<td>Skills &amp; technical training; Location decisions; Acquisition of competencies; Development of deep domain expertise; R&amp;D</td>
</tr>
<tr>
<td>Micro-Market Economy</td>
<td>Cost leadership; Strong capital base; Cost leadership; SWOT; Critical Success Factors; Key Performance Indicators; targets; Gantt charts; Ansoff’s Product-market Matrix; Porter’s Five Forces &amp; Generic Strategies; Strategic segmentation; Strategic branding; Balanced Scorecards; Economic cycle analysis; Global strategies; Watkin’s change model</td>
</tr>
<tr>
<td>Organic</td>
<td>Exploratory mode scenario planning; Customer focus groups; Strategy deployment/ implementation; Corporate Social Responsibility</td>
</tr>
<tr>
<td>Brain</td>
<td>Vision; Mind mapping; Learning opportunities; Creativity initiatives</td>
</tr>
<tr>
<td>Social</td>
<td>Values inculcation; Leader &amp; board change/review; Management rotation; M&amp;A fit; Personnel practices; Communication/ consultation; Internal Marketing</td>
</tr>
<tr>
<td>Polity</td>
<td>Macro-political engagement; Transparency; Risk &amp; compliance</td>
</tr>
<tr>
<td>Game</td>
<td>Playbooks; Positioning; Luck</td>
</tr>
<tr>
<td>Drama</td>
<td>Stakeholder Relationship Management; Partnerships; High level networks</td>
</tr>
<tr>
<td>Psyche</td>
<td>Key Behavioral Indices; Paranoia</td>
</tr>
</tbody>
</table>
“If Learning is a Cost without a Benefit, then Sod the Learning”: What Strategy Means in Practice to UK Business Leaders

References
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