Strategy-as-practice as a field of research

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Strategy-as-Practice: A research field

- Key articles – all leading journals and AoM Annals
- Special issues:
  - JMS, HR, Organization Studies, BJM, LRP, SMJ
- Books
  - Monograph, Handbooks
- Conferences
  - AoM, BAM, EGOS, SMS
- The critiques
  - SO! SMJ
Who am I?


Who am I?

• Pushing the envelope theoretically
  • Explaining the theoretical importance of messy everyday practice
  • Papers (big pieces/ little pieces/ theoretical/ methodological/ positioning)
  • Books

• Pushing the envelope methodologically: Audio and video ethnography
  • PhD/ AIM Fellowship/ IICI Fellowship/ Marie Curie Fellowship

• Most recent ambition: To explain how large-scale phenomena (global issues, grand challenges) are instantiated within everyday practice
Large ‘n’ Ethnography!

- **Recent project**
  - Multi-site ethnography (Marcus, 1995)
  - Tracing competitive practices across sites

- **Sites**
  - Main trading hubs: Bermuda, London, Continental Europe
  - Increasingly important market: Asia-Pacific
  - 22 reinsurance firms; 3 brokerage firms [15 countries, 60 subsidiaries]

- **Data**
  - 935 observations
  - 146 social interactions
  - 431 interviews
Why strategy-as-practice?

- A selective historical tour

Across academia work in competitive strategy gained increasing economic rigor. At the same time, managers disappeared, especially the general manager. Most often the teaching question was, “What should the company do?” not “What should its general manager do?” The company president served as a proxy for the company. The unit of analysis was the firm, not the manager. Researchers counted things rather than observing process (Bower, 2008: 272).

Strategy research that is rigorously grounded in sociological theories of practice. Such research complements the simplicity and generalizability of economics-driven theory by incorporating the messy realities of doing strategy in practice; with a view to developing theory that is high in accuracy. (Jarzabkowski & Whittington, 2008: 282)

Rules of behaviour prescribed by economic models, however logical, cannot be normative if managers are not capable of implementing them or if the assumptions on which the models are built do not apply (Masten, 1993: 127).
Methodological Premise 1

• Doing: In the moment (the practice)
• Becoming: The practice as it is unfolding over time (the process)
• Studying phenomena that may be: temporary, precarious, unfolding, becoming, flux, (de)stabilizing, unintended, emerging
Practice theoretical underpinning

• What is this ‘sociological eye’? (Whittington, 2006)

• Following practices as a nexus of interconnected “doings and sayings” that span time and space; e.g. following practices across multiple sites and over time (Schatzki, 2002; 2006; Nicolini, 2013)

• Knowledgeable performance of everyday work is locally accomplished in situ by actors (praxis is local)

• This localized accomplishment comes together in a nexus of practices that collectively constitute firm/industry/etc (Giddens, 84; Schatzki, 02)

• Strategy, competition, markets, etc can be theorized & studied as a nexus of practices amongst dispersed individuals, instantiated and observable within specific instances, rather than conceiving of it as a “separate” macro phenomena (Jarzabkowski, Bednarek & Spee, 2015; Seidl & Whittington, 14)
Fig. 3: Number of humour events for every quarter of the meetings.

Fig. 4: Sum of humour incidents for every quarter of the meetings.

- 1st quarter
- 2nd quarter
- 3rd quarter
- 4th quarter
Carl reports on the Connectif delivery. It is ‘red’ or ‘at risk’ because there are ongoing concerns about the capacity to handle operational service issues despite the need to continue increasing product uptake to meet equivalence deadlines.

Jack (outraged): “…they have pulled the [feature] and have absolutely no right to do it…” Sally and Max smirk. “…That’s the story on Connectif. And now we’re going to have to red-status all our Connectif capability into additional product spec, equivalent spec, that can be bought by Wholesale and others” (switches tone from serious to absurd) “...Basically we’ve got a product that’s equivalent, which can’t be made to work” John & Trevor laugh loudly.
3: Entrenching Path

Construction consistent with existing response

Existing response formulated again

Legitimation of existing response

supports action

4: Shifting Path

Construction disrupts existing response

Alternative response formulated

Legitimation of alternative response

supports action

5

Actions taken in performing within paradoxical conditions

Enrolling interactional dynamic

2

Humour Constructs Paradox

3a

3b

3c

4a

4b

4c

1

Paradoxical Conditions

In performing task

6

Paradoxical Conditions
Why is it important?

• Surface the taken-for-granted

• Making the familiar strange

**Excellence is Mundane:** Superlative performance is really a confluence of *dozens of small activities*, each one learned or stumbled upon, which have been carefully *drilled into habit* and then are fitted together in a synthesized whole. There is *nothing extraordinary* in any one of those actions; only the fact that they are done consistently and correctly, and *all together, produce excellence*. (Chambliss, 1989: 81)
So what are the actual practices/actions

• What are the specific actions and practices?

• How are they described and explained?

• What might constitute actual practices/ actions in your research?
Drawing from the list of micro-practices we generated in our fieldwork, we pursued two concurrent strands of analysis. In one strand, we coded all the mundane micro-practices we observed in underwriters’ daily work, from ‘putting on tie and coat’ to ‘generating loss curves’, ‘calculating financial returns’, ‘helping brokers out’, ‘sharing gossip’, or ‘lunching with peers’. Following Gioia et al. (2013), we then clustered the micro-practices we identified into broader thematic categories, which we label ‘clustered practices’. For example, micro-practices associated with dress were clustered under codes such as ‘dressing “up”’, ‘dressing “down”’, or ‘sanctioning dress’. As the locales where practices were being performed (e.g. office, trading-floor, meeting) seemed empirically pertinent, we layered location codes across all micro-practices. For example, once we realized that all analytic micro-practices (e.g. calculating financial returns, generating loss curves, modeling) always occurred in the office, we coded this cluster as ‘consigning analytic work to the office’. Likewise, we coded practices associated with walking to and from Lloyd’s, including the specific items carried, as ‘moving between spaces’.
What do you want to explain?

• What is “it” … the possible phenomena you are interested in: the empirical puzzle
• Understanding the way that this phenomena unfolds within the practices of its participants
• So what? Why do we now know something different or that we did not know before?
What are its challenges?

- Performance anxiety
- Looking to find and explain qualitative differences that may be associated with quantitative differences
- Explaining large-scale phenomena

Porter’s five forces model permits us to analyze the competitive forces impacting the firm, yet empirical research has shown that these industry influences account for only between 4% and 18% of overall variance in firm profitability (Misangyi, Elms, Greckhamer, & Lepine, 2006).

Quantitative improvements, then, involve doing more of the same thing. By qualitative, though, we mean the character or nature of the thing itself. A qualitative change involves modifying what is actually being done, not simply doing more of it (Chambliss, 1989: 72).

Financial risk management is complex; one cause of failure is attributed to an “excessively narrow perspective on risk with insufficient appreciation of the need for a range of risk measures, including both quantitative and qualitative metrics” (Bernanke, Chairman of the Federal Reserve Bank, 2008).
The things we study

Practices, praxis and practitioners

• Strategic planning and strategy formation
• Strategy meetings, workshops, tools, materials
• Strategy emergence, change, implementation
• Strategy within-and-across across levels of the firm
Underlying Premise 2: Beyond ‘micro-macro’

• Practice Theory can answer big questions (Nicolini, 2013; Seidl & Whittington, 2014)

• How everyday practices constitute wider phenomena, such as the strategy of an organization, the competition between firms, the collective practice of a market

• How such wider phenomena are instantiated within the practices of actors

• Zooming in and zooming out to notice “connections-in-action”
This largely relational moment of competing with rivalrous instances.

Phase 1
[corpus of micro-competitions]

A: Micro-competition

Rivalrous competing

Competitive Practices

Not competing

Relational competing

Shifting moments of competing on the micro-competition

Phase 2
[corporal rivalrous moment of competing with relational instances]

Rivalrous competing

Competitive Practices

Not competing

Relational competing

C: Firm-specific strategic portfolio
FIGURE 3  A practice-theory framework of competing
The critiques

1. Under-theorized power
2. Getting to grips with the continuous flux, dwelling, being, becoming, practical coping, without design – empirically
3. Strategy and strategy theory are performative
4. Practices are things
As yet understudied

• Strategy as a profession

• Getting serious about strategy materials and materiality; bodies, spaces, things, emotions

• External actors? Open strategy?

• Industry/inter-organizational/competition ‘level’ of analysis

• Other types of ‘outcomes’: Societal, economic, etc
What does this make you think?