

Communicational tools for strategy work



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Aalto University
School of Business

Strategy Communication
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Pekka Pälli

Socio-materiality of strategy: a communicational approach

Agenda today:

- Having a look at 'strategy tools' and 'techniques' from a socio-material perspective
- The role that *strategy tools* and *techniques* play in strategy work
- Exercise on comparing a few tools. What they do to us, how they facilitate our communication/interaction/thinkin, how they (might) produce different results
- **(Using interactional whiteboard tool Flinga)**

The role of tools (and techniques) both in strategy development and implementation

- Two (basic) arguments:
 - Tools facilitate/impinge upon communication and interaction
 - Tools have "agentive properties" in terms of communication, as much as we use tools, tools use us

What do we mean by (socio-material) tools in strategy work

1. **Artefacts, objects, or things** that have a material form, e.g. papers, pens, lego bricks, modeling clay, flipcharts, ...whatever that can be used as a tool or assumes the role of a tool at any point of strategy work
2. **Socio-material practices** (such as seating arrangements, using technology, running workshops etc.) that *matter* or are *made to matter* in strategizing)
3. **Specific tools developed deliberately** for the purposes of strategic planning, organizational decision-making, measurement of efficiency etc. (Typically trademarks or proper names) (BCG matrix, SWOT analysis, Balanced Scorecard, Scenario Planning etc.)

Strategy tools and techniques in the strategy-as-practice research agenda

“...strategy is something that people do, with stuff...”

“...for example, analytical techniques such as SWOT or technologies such as flipcharts, computers and software ... are the stuff of strategy”

(Whittington, (2007) Strategy Practice and Strategy Process: Family Differences and the Sociological Eye. *Organization Studies*.)

“Discursive practices are inherently bound up with the material practices through which actors interact ... for example, discursive artefacts, such as PowerPoint slides and planning documents shape both who participates and what is the focus of the talk”

(Balogun, Jacobs, Jarzabkowski, Mantere & Vaara (2014) Placing Strategy Discourse in Context: Sociomateriality, Sensemaking, and Power. *Journal of Management Studies*.)

Example study. Management team using lego bricks in their strategic planning (Heracleous & Jacobs, 2008: Crafting strategy. The role of embodied metaphors. *Longe Range Planning*, 41).



Example study. Crafting a seven-sided cube, (Whittington et al. (2006) Practices of Strategising/Organising. Broadening Strategy Work and Skills. *Long Range Planning*, 39.



Figure 1. RetailCo's Cubes: Marks 2 and 3.



Critical viewpoint: Tools for making strategy... or tools for something else?

- E.g. Common str tools such as Balanced Scorecard may serve conversational rather than analytical purposes (Chesley & Wenger, 1999)
- Socio-material practices as workshops (or meetings) may not **directly** serve purposes of strategy development. Instead, they have positive outcomes of team-building, collaboration, relationships, and dialogue (Hodgkinson et al., 2006)

Big conclusion?

Tools for strategizing are communicational in nature!?
”The real tool” then is communication?

Language and interaction as a (basic and most important) tool in strategizing

Importance of language as “a tool”

- In general: we need language to solve any difficult problems
- Language (and thinking as well) is inherently social and dialogical
- New ideas, new ways of thinking are born out of dialogue
- **Thus, interaction & language-use key managerial “tools” driving sensemaking over strategy**

“When I turned to strategic practice what I saw were embodied, emotional, and moral *human beings talking with each other*” (Samra-Fredericks, 2003)

Linguistic/discursive resources: metaphors, analogies, stories, (gestures/embodied actions), examples, conceptual definitions – and their development in interaction, see examples on next slides

(Simplified example from a Finnish church organization)

Simo: Could you think that you'd look at those end results from the point of view of this strategy in a way that you could, like act trying to achieve them, without that we would get stuck in the debate over what is the right structure, and how we're able to move on without that we would end up in this, that it wouldn't be seen as being about greed for power or what?

Leo: Hm. (2.0)

Simo: This is certainly difficult. But that, we could like- to be able to see that we have this kind of mission and then as a vision we have something **looming in the future** there. But there are many **things on the way** that cause disagreement. So can we pursue that without **diving through this jungle of war**?

Leo: Hmm. Well there is not, like, any other way that it can happen but starting from these-, these content-, like, focal points of content.

Simo: Right.

Leo: That- that, emphasizing that what, and where we come, like, come from and the search over what we are, like, unanimous of.

(2.0)

Simo: Right. Right. Yes. When you hold, this mission and vision like, clear in mind. And then, if you'd see **these steps that we take on the road** as, as such that they serve- and- this is nothing new to you of course but, to see those as such that they have, like, a **certain instrumental value**, in the realization of the vision.



Cont.

Leo: Mm.

Simo: And, and, somehow you'd pursue these, and put things in **value order** in that way I don't know but I just think that this way you could **win** **oppositions to your side**.

Leo: Mm.

Simo: If you can help them to see that everything aims at this vision. And when time goes, we suddenly realize that the vision is becoming reality. And we begin **to take those steps** without being purposefully forced. I don't know. But of course it requires **practical steps**. Practical steps in, restructuring resources and initiating these key projects.

Leo: Right. Right.

(4.0.)

((LINES OMITTED, THE SAME GOES ON))

...

...

...

Leo: Right. Yeah.

(3.0)

Simo: Yeah. (2.0) confusingly put.

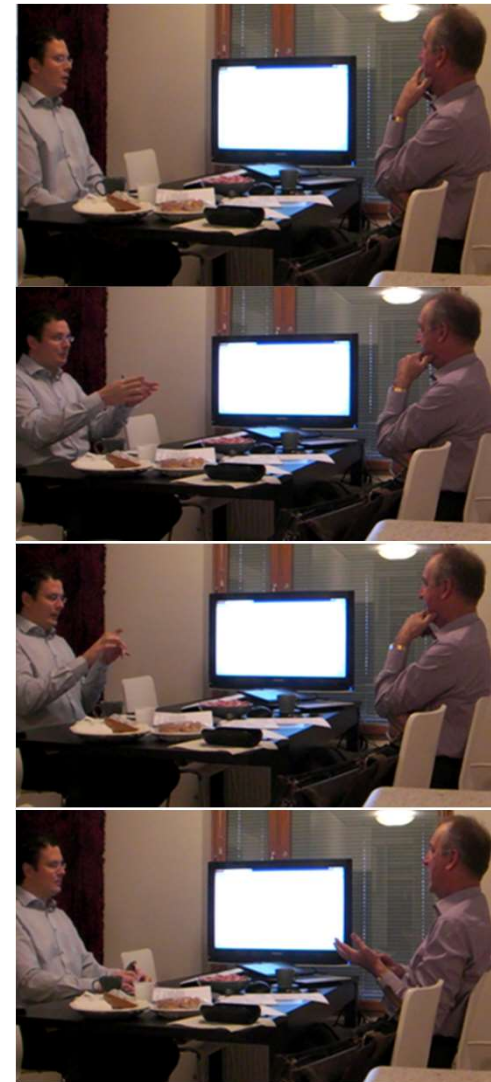


Example from a company working in the insurance sector

Pate: Well this then that what skills people have. I've myself done for example a property manager's degree in the past. So if we have, here people who have, let's say a property manager's degree, it's quite good, could be quite good in for instance when thinking about apartments or houses. Can be something useful in practice.

Esa: Exactly. And this connects to what I've heard some competitors do with IBM software. It's exactly the same thing. It's just that there has to be something on the basis of which you can categorize the competence in a right way. That would be great if you could search for, property manager or then search for, let's say, I need, like, a nurse or something like that. So it'd be about insurance decisions and I'd need some special knowledge. It would be about, like, hip bone problems. And there you'd find okay, this is the guy. Something like this.

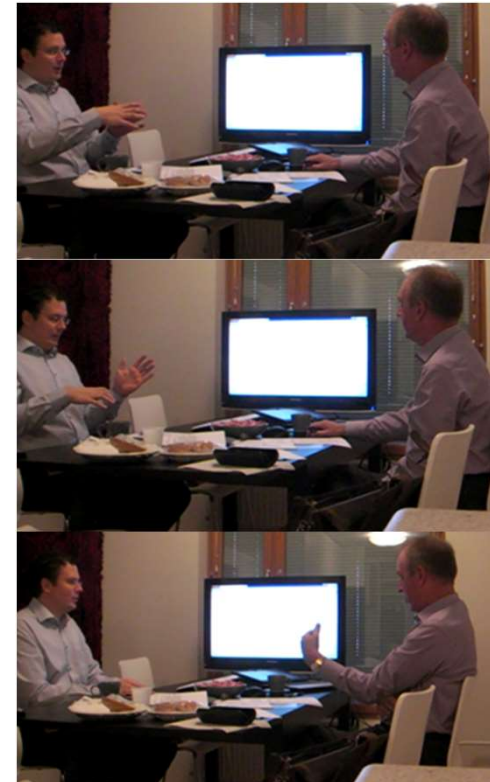
Pate: Just someone asked, was it French or some other language, but however asked for someone who speaks it. That's what I've been talking about for a long time that we should have a register of those people with special skills. As an example I've had that if I, as the CEO, get a letter in Spanish and I should be able to understand that if it's spam or a real bid. Then I could walk over to (some) "Sara" and say to her that I've heard you know Spanish, so would you be kind enough to have a look at this.



Cont.

Esa: Yeah. And, in a way, it could be fruitful that there would be a data bank of skills and trainings but also about other things, so categorization on the basis of French and Spanish and other things, so that in a way a skilled person can surely fill in herself that she has been to this and this kind of training, and that she knows French like this, and to an empty field she would put that her special area is hip fractures. Because we have so many employees so that it's impossible to keep in mind if someone has done something five or ten years ago. Or done a property manager's training somewhere in the past.

Pate: Yeah. That is, documenting the education path is in my opinion a really good idea, it's feasible, like, right away. So that we would have that, like, also with the future in mind.

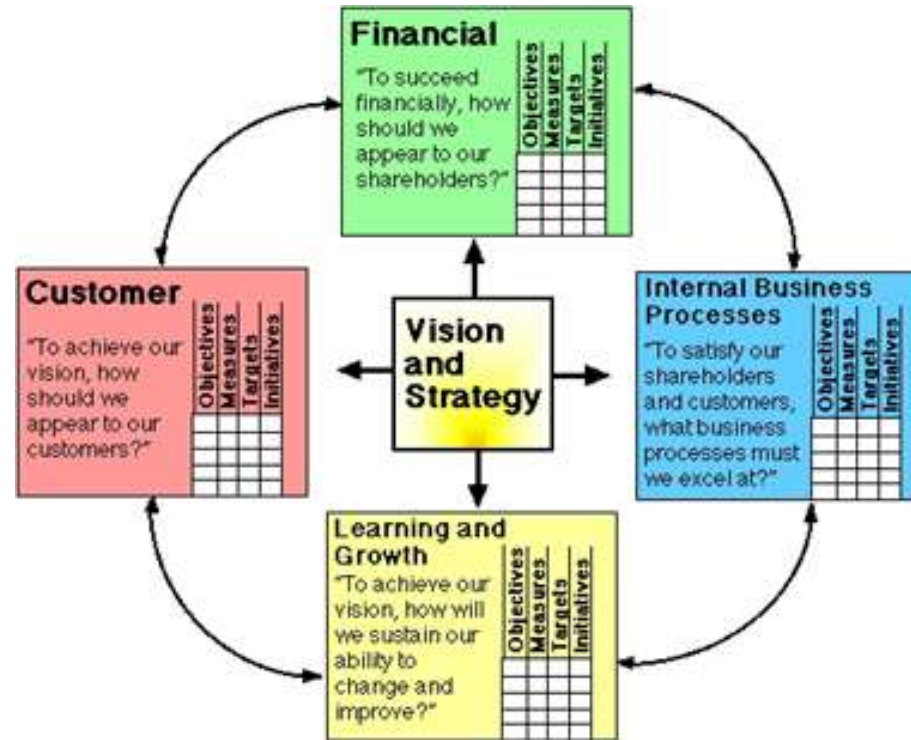


Strategy tools as constraining and enabling models: an exercise

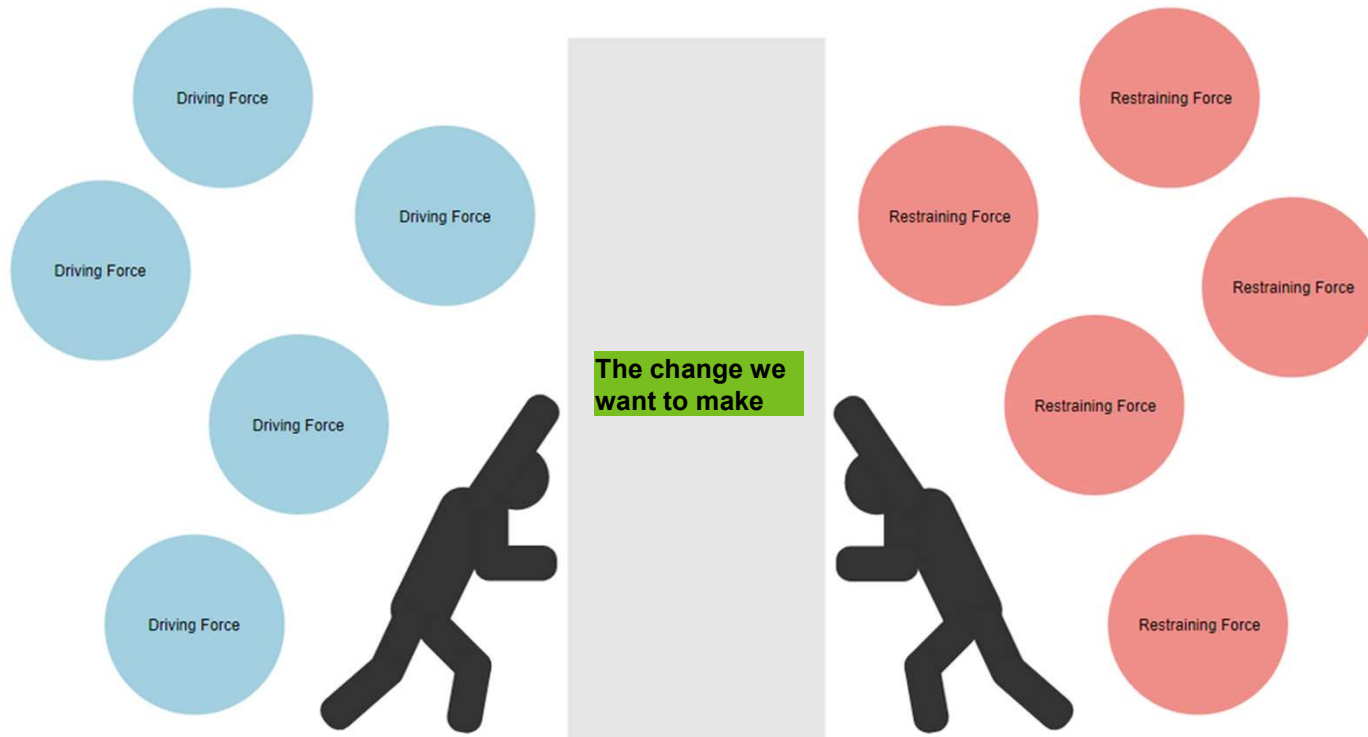
Background

- Strategy Tools are visual representations and as such also templates on how to think
 - Their visual form affects our thinking
 - Their organization and the right knowledge on how to use them enables and restricts our ways of thinking, or analyzing, or planning
- Thus, these representations and the way of using them are disciplinary institutional practices (*you have to or you are expected to think in terms of them*)
- Examples: Porter's 5 forces, BSC, SWOT, Blue Ocean, Lewin's force field analysis, Core Competences, Scenario Planning...
 - (E.g. Max McKeown's "The Strategy Book" (2011) provides a comprehensive list of these tools with practical information on how to use the tools)

BSC (Kaplan & Norton)



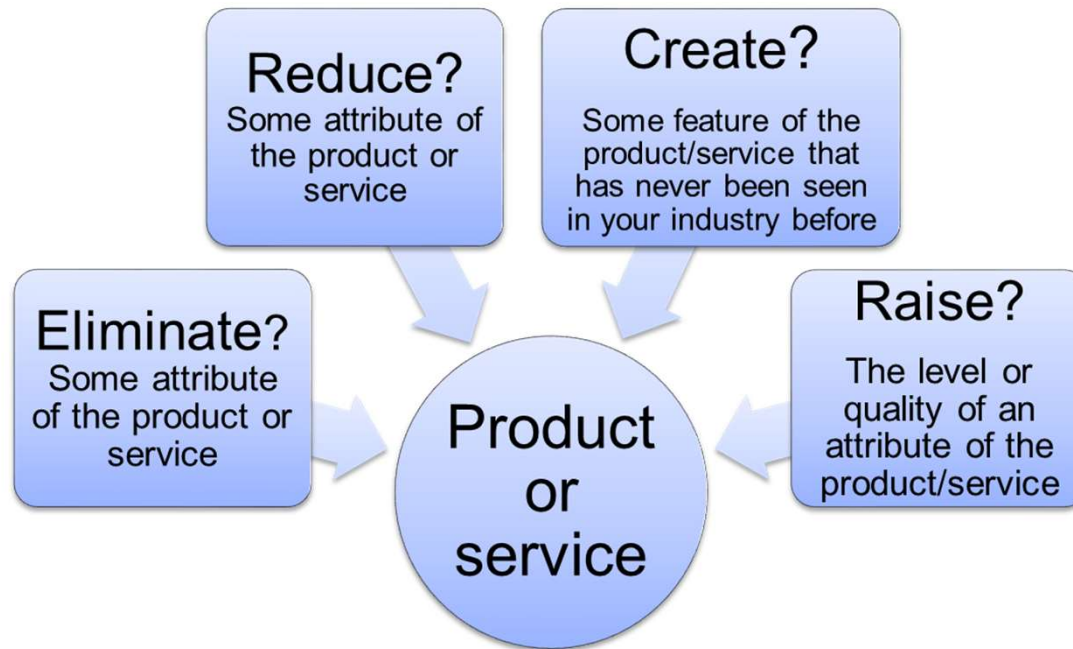
Kurt Lewin's force field analysis



SWOT



Kim and Mauborgne's blue ocean



A strategy workshop exercise

Topic: "Teaching strategy" at Aalto BIZ

Question: What are the measures the Aalto BIZ should take in its efforts regarding **teaching** in the coming years (to become one of the leading European business schools?)

- Break-out room 1: (Group 1): use SWOT analysis
- Break-out room 2: (Group 2): use Force Field Analysis
- Break-out room 3: (Group 3): use Blue Ocean

I'll post the link to group-specific instruction documents to our chat just shortly, after dividing you into break-out room groups. The link to your specific Flinga session is provided there in the document.