

Critical review of crafting strategy

[Business](#), [Strategy](#)



Introduction Strategic management contains various subjects and topics, most of which do not have the consistent identity (Ketchen, Boyd and Bergh, 2008). It is no doubt that there are still many debates towards strategy concept. In this essay, the article “ crafting strategy” will be reviewed. This is analysed by putting the article in to a wider debate about strategy, then discussing its main strengths and weaknesses. Placing of the article in the wider strategy debate This article’s view fits the debate of prescriptive and emergent strategy.

According to Whittington, prescriptive strategy is a rational approach in which planning plays a vital role, and it is more appropriate for large and mature industries (2002). However, Mintzberg challenged this perspective, saying that the process of strategy is distorted by the planning that misguides the organisations (1987). The differences between prescriptive and emergent strategy can be identified in two points. Prescriptive strategy means formal planning, which involves an analytic process by top executives to set up a long-term mission and later undertaking by staff (Ansoff, 1965).

However, in the view of emergent strategy, “ It is not possible to develop a perspective of the future and formulate explicit objective in an unpredictable environment; instead, it is necessary to react in a flexible, opportunistic and accidental manner to new, unpredictable developments” (Idenburg, 1993: 136). In addition, due to the volatility and variability in market conditions, management decisions depend on information that is imprecise and fluctuated.

As a result, an emergent strategic approach is more suitable for firms to conduct and business strategy should be adjustable instead of developing a prescriptive strategy with a foreseen result (Marlo, 2000). Moreover, the difference can also be shown by the attitude towards learning. "Purely deliberate strategy precludes learning once the strategy is formulated; emergent strategy fosters it" (Mintzberg, 1987: 69). Emergent strategy refers to the strategy formulation process which focuses on understanding of strategic learning and let the firm to experiment in a dynamic environment.

Though agreement and compromise are part of the formulation process, there is an evident lack of knowledge in the performance system, which leads to a process featured with the emergency of meaning (Lowe and Jone, 2004). In terms of how learning applies to make the strategy, Mason (2007) states that emergent strategy making means all the employees utilise the flexible and strong adaptability to equalise structure and rapid change rather than responding to external change.

The basic problem in strategy making is to achieve innovation and remain consistent and reliable strategy implementation. This may include adapt faster than other companies and responding and learning quickly from flaws. In another word, emerging organisation is able to improve employee effectiveness, resulting in a positive influence to greater creativity and motivation in the organisational processes, and it, in turn, leads to better organisational performance (Huselid, 1995).

In this article, it discusses emergent strategy, strategic reorientations and how to manage strategy. This is explained by compare and contrast with the deliberate strategy. Mintzberg's article clearly belongs to prescriptive and

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emergent strategy debate and it gives strong support towards emergent strategy. Discussion of Strengths and Weaknesses This article involves some main strengths and weaknesses in terms of the strategy debate. In reality, there is no entirely prescriptive strategy or entirely emergent one, many approaches fall between these two extreme points.

Most efficient strategy blends organisational learning with flexibility and deliberation and control, such as umbrella strategy and process strategy (Mintzberg, 1987). This idea fully reflects the complexity for the business world, even though Mintzberg has an ardent preference towards emergent strategy, there is no guaranty that this is the most suitable or perfect method for all business. Besides, other analyses also illustrate the importance of strategy-making blends autonomy and planning in emergent strategy mode.

To be more specific, by combining those two modes, organisation is able to gain productive adaptive capability and optimal alignment in firm through adapting to unpredictable environment in emergent strategy mode and coordinating business activities to complete company's efficiency in strategy planning (Andersen and Nielsen. 2009). Another strength of this article is the statement about strategic thinking. Fiona (2002) points out that the central to sustain competitive advantage is to have a creative and divergent strategic thinking.

This fresh perspective represents a new way for managers to consider and evaluate the operation of organisation. Just as Mintzberg mentions, strategic thinking is captured by informal learning from diverse sources included experiences, leading to an integrated view towards the firm, and then

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synthesizing the learning into an image of the business direction (1994). In contrast, many administrators merely analyse the figures and graphs, but those are the analysis of past information and predictions, which hold a substantial risk for business.

Moreover, strategic thinking displays a whole perspective of mutual influences between each part of the company and its related environment. It also considers the interlinked relationship of past, present and future in order to think in time and utilise newly emerging chances (Liedtka, 1998). However, there still exists criticism about this article as well. One drawback is Mintzberg failed to study the problems of emergent strategy in the business environment. To begin with, sometimes this strategy may consume too much time. As this process includes various 4 experiments, it keeps trying to identify new method until it successes.

No doubt that this involves a long period since no one can find a suitable compromise every time. Apart from that, each time firm tries a new strategy, it costs an enormous amount of resources such as labours or machines use, which is a waste of capital. As Ansoff point out, Mintzberg does not consider the consequence of using a trial and error approach in various programs. In fact, this approach costs hugely, and research presents that acquisitions can achieve better financial results by conducting a planned approach to diversification instead of trial and error one (1991). Conclusion

In summary, this article presents the crafting strategy that is a metaphor towards strategymaking, and it considers the process of strategy making as craftsmen make their clay, which gives readers a vivid image of how the strategy formulates and implements. This practice is valuable at both

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beginning of strategy development and strategy review processes (Heracleous and Jacobs, 2008). However, as this article was written in 1987 and many revolutions have happened in these decades, more researches need to carry out to review whether this strategy still fits well in modern business.