

# Strategic process approaches to strategy formulation commerce essay



**ASSIGN  
BUSTER**

\n[[toc title="Table of Contents"](#)]\n

\n \t

1. [Deliberate approaches](#) \n \t
2. [Emergent Strategies](#) \n \t
3. [A Continuum](#) \n

\n[/toc]\n \n

Two of the broader schools of thought that are frequently positioned across academic writings as opposing methods by which organisations undertake the pursuit of strategy formulation are the emergent and the deliberate approaches (Mintzberg, 1988; Harrington et al, 2004; Downs et al, 2003). The deliberate approaches to strategy formulation are typically undertaken through a normative approach to theory creation, while the emergent schools of thought are more typically formulated through a descriptive or empirical theory creation process.

## **Deliberate approaches**

The foundation of the school of strategic thinking is captured in the thinking of the deliberate and rational approaches to strategy formulation (Hart, 1992). Deliberate strategies are defined as outcomes that are realised from strategies that were formulated through the process of a comprehensive, ordered analysis, that are undertaken in advance by a purposeful organisation (Mintzberg, 1988; Porter 1980). Hart (1992, p. 328) describes the rational process as one where a decision maker: “(a) considers all available alternatives, (b) identifies and evaluates all of the consequences which would follow from the adoption of each alternative, and (c) selects the

alternative that would be preferable in terms of the most valuable ends.”

Organisations pursuing strategy in this form, typically do so through a formal strategy planning system that allows them to pursue a methodical analysis of the environment, an assessment of corresponding internal strengths and weaknesses, the creation of specific goals and a mechanism to achieve them and the careful consideration of available alternatives (Downs et al, 2003; Hart, 1992; Porter, 1980).

Proponents of the rational approach to strategy formulation view the business environment as one which is largely objectifiable and open to the tools of scientific analysis and scrutiny (Parnell, 2003). With the environment viewed through these lenses, the deliberate approach lends itself to the methodology employed by the traditional view of strategic management, advocating strategy formulation as best undertaken through an analytical approach driven by formal structure and planning systems, including deep and systematic analysis of the environment, the internal organisation and its competitors (Parnell, 2003).

## **Emergent Strategies**

The second broad school of thinking contrasts from the deliberate approach in that it views the external environment through the lenses of an artist and is characterised by unpredictability, uncertainty, change and chaos (Parnell, 2003; Downs et al, 2003). This approach to strategy lends itself to strategy formulation that is undertaken through trial and error, experimentation and discussion where the environment is subjected to constant analysis and the simultaneous implementation of its strategy (Downs et al, 2003). Earlier

writings refer to this approach to strategy as “ incrementalism” or part of the <https://assignbuster.com/strategic-process-approaches-to-strategy-formulation-commerce-essay/>

process of “ muddling through” that some organisations tend toward (Lindblom, 1959).

Contentions from this school of thought reflect the idea of strategy as formulated from within a collection of strategic sub-systems that utilize interactive learning, experimentation, and innovation to create and implement strategy in an iterative process (Harrington et al, 2004). The strategic process is thus seen as progressing through a learning and manoeuvring process that provides managers with the capability to make decisions as and when required, consistent with accessible information, and allowing them to adapt and respond to the challenges of a dynamic environment (Harrington et al, 2004; Downs et al, 2003). This approach is typified by an evolving pattern of strategic behavior that occurs in the absence of previous intention (Harrington et al, 2004).

The emergent approach to strategy formulation contends that it is best suited to adapt to the uncertainty and complexity that is evident in the external environment as it does not seek to impose structure and rigidity on an entity that is infinitely more complex than itself, but rather attempts to align itself through a mechanism that allows strategy to form in parallel (Mintzberg, 1988). In so doing, the practice of strategy formulation and strategy implementation are not undertaken as separate initiatives that are divorced from one another, but are rather performed simultaneously, fostering feedback and organisational learning (Mintzberg, 1988).

## **A Continuum**

The two approaches above argue the merits of strategy formulation as a rational and deliberate process versus the approach characterised in a more incremental and unstructured process to managing companies. Previous research on the merits of each has provided conflicting evidence on the success of its implementation (Boyd, 1991; Brews and Hunt, 1999).

Mintzberg and McHugh (1985) depicted the two disparate processes as best described as the opposing ends of a continuum with a multiple of options existing between them. Harrington et al (2004) also argue that the norm to separate strategy formulation into deliberate and emergent categories is better treated along a continuum, thus allowing for the idea that both approaches can be present in an organisation. Through the manipulation of strategy in this manner, managers might best influence the direction of the strategy formulation process to align with the events in the external environment with the most appropriate approach (Mintzberg, 1988).

Mintzberg (1988) advocates the use of both approaches to strategy formulation as complementary tools providing a harmonious mix between organizational control and learning. Management might best capture these benefits through controlling the process of strategy formulation (Mintzberg, 1988). In this manner, it is able to capture the benefits of both schools, through defining broad organisational guidelines (deliberate approach) and allowing freedom to individuals to pursue these (emergent approach).