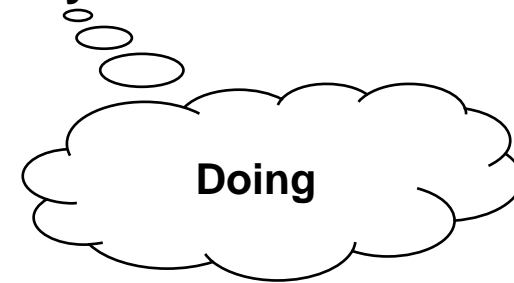
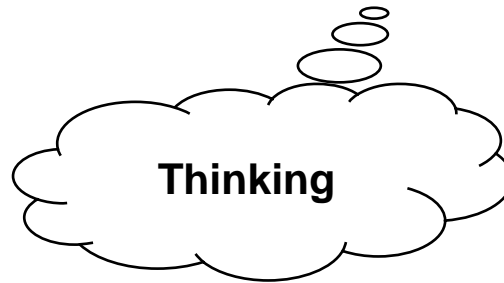


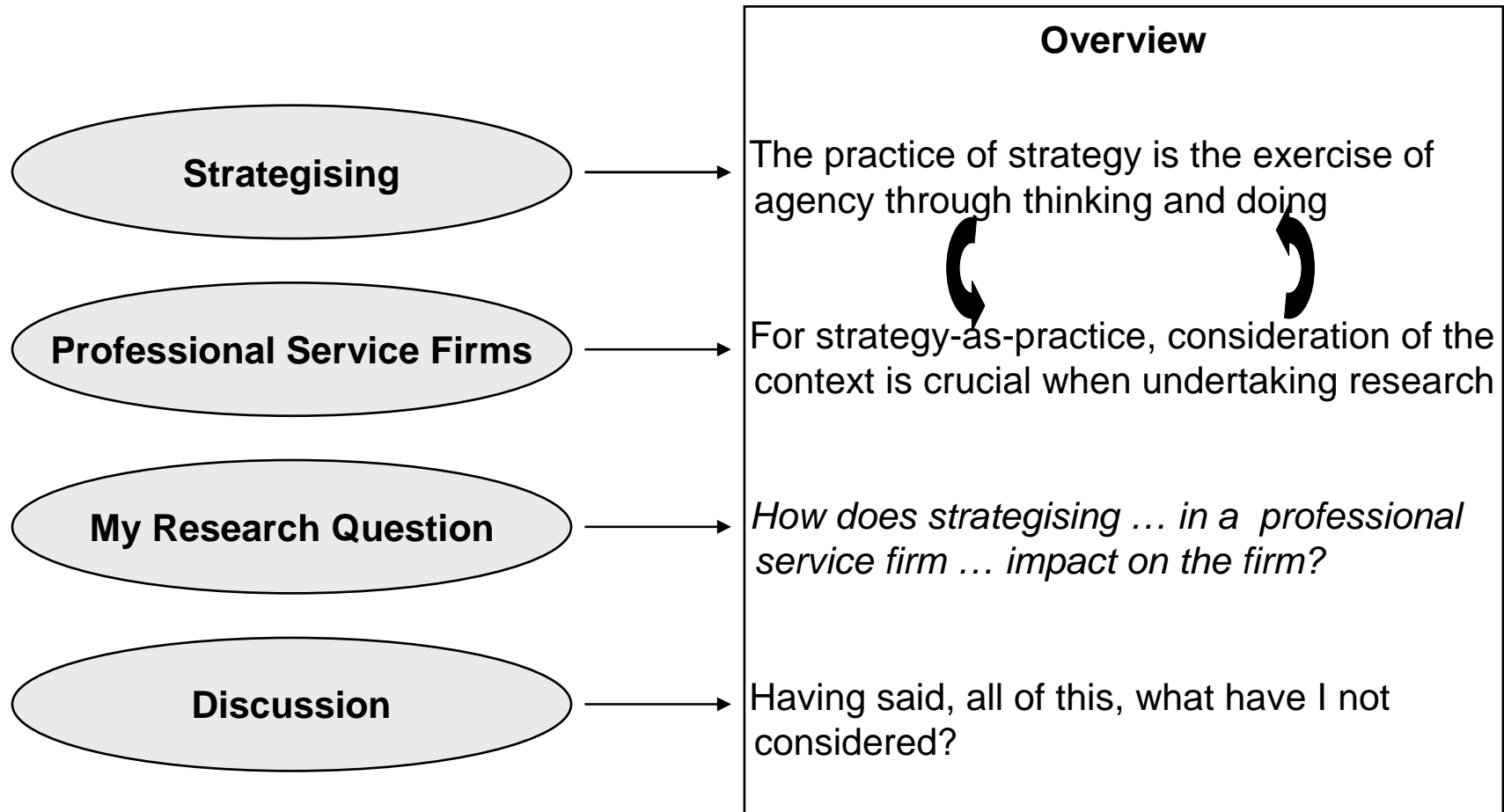
MANAGEMENT & EMPLOYMENT RELATIONS' SEMINAR SERIES

STRATEGISING IN PROFESSIONAL SERVICE FIRMS

**Reflecting on my PhD
or
How do I know what I think until I say it?**



STRATEGISING IN PROFESSIONAL SERVICE FIRMS



THE PRACTICE OF STRATEGY IS THE EXERCISE OF AGENCY THROUGH THINKING AND DOING

The field of strategic management is strongly contested

Strategy-as-practice takes a different approach to the more traditional views of strategy

The theoretical hinterland of practice is extensive

Nevertheless, strategy-as-practice seeks to be practical

Agency, plays it self out as thinking strategically & acting strategically

This stance has implications for practitioners, teaching, and researcher

FOR STRATEGY-AS-PRACTICE CONSIDERATION OF THE CONTEXT IS CRUCIAL WHEN UNDERTAKING RESEARCH

Why choose professional service firms as a context for my research?

“Everyone's gotta be somewhere” — The Goons

Despite the vast literature on the professions, defining the ‘professional service firm’ is not a trivial exercise

For research into strategy-as-practice, as with research into the strategy process, the context in which the research takes place needs to be taken into account

There are known impacts of this context—the professional service firm—on strategising

MY RESEARCH QUESTION

My original question (from my proposal)

How are individual mental models at the operating core of large multinational accounting firms, mediated into homogeneous mental-models of strategy, at higher organisational levels?

My revised question

How is strategising manifested in a professional service firm and in what ways does it impact on the firm?

HAVING SAID ALL OF THIS, WHAT HAVE I NOT CONSIDERED?

Method: The preferred method, that is emerging, is in-depth case studies

Other:

So, questions please?

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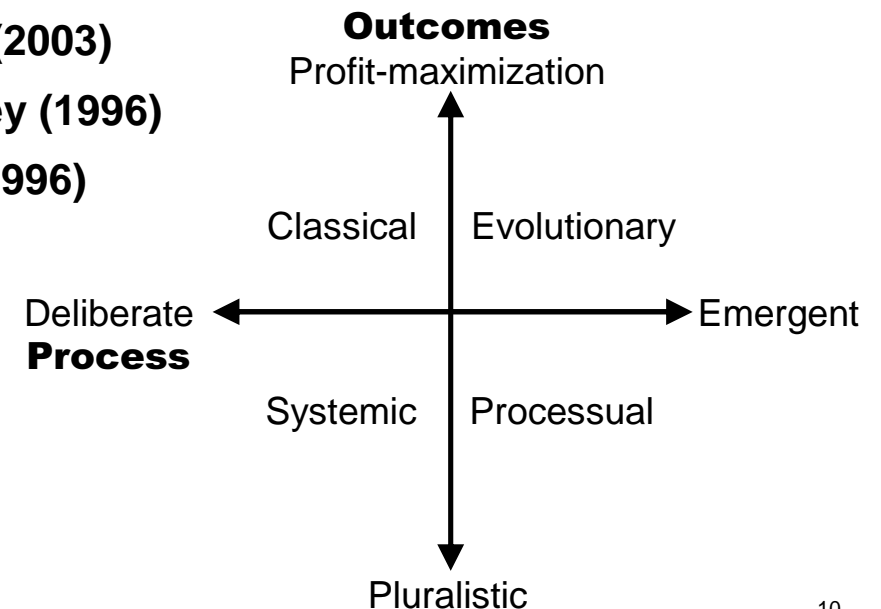
THE FIELD OF STRATEGIC MANAGEMENT IS STRONGLY CONTESTED

There are many turf wars in the field – these are much like the debates in OT during the 60s and 70s (Wilson, 2004). E.g. see Burrell (1997) for the OT debate, and Whittington (1993) or Mintzberg, Ahlstrand, & Lampel (1998) for the strategy debate

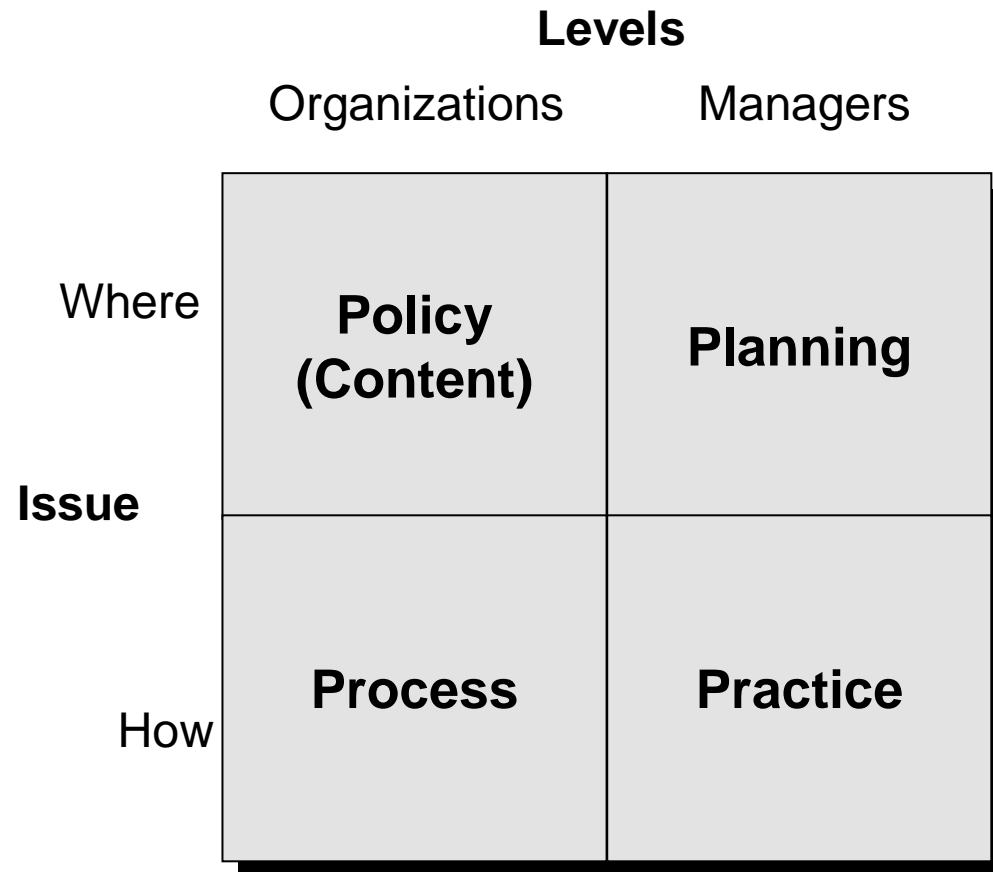
Examples:

- Dynamic systems perspective - Brockelsby & Cummings (2003) and Hendry & Seidl (2003)
- Narrative analysis - Samara-Fredericks (2003)
- Resource based view of the firm - Barney (1996)
- Institutional theory - Tolbert & Zucker (1996)

To name but a few ...



STRATEGY-AS-PRACTICE TAKES A DIFFERENT APPROACH TO THE MORE TRADITIONAL VIEWS OF STRATEGY



(Whittington, 1996)

THE THEORETICAL HINTERLAND OF PRACTICE IS EXTENSIVE

Strategy-as-practice draws on the social sciences and

Seeks to explain, with recourse to various social theoretical resources [e.g. Giddens, Bourdieu, De Certeau, Sztopka, Turner], how skilled and knowledgeable strategic actors constitute and reconstitute a system of shared strategic practice that they also draw upon as a set of resource in the everyday activities of strategising (Wilson, 2004, p. 15).

This is geared towards academic audiences, theorising about the practice of strategy.

But is this disconnected from the lives of strategists?

NEVERTHELESS STRATEGY-AS-PRACTICE SEEKS TO BE PRACTICAL

There is also a call for theory that “closely reflects the work and concerns of practitioners” (Wilson, 2004, p. 15)

“from the core competence of the organisation to the practical competence of the manager as strategist“

“Here craft skill is as important as technical facility”

Tacit knowledge: "knowing the 'done thing' locally is essential to being able to get things done" (Whittington, 1996 p. 732)

AGENCY PLAYS IT SELF OUT AS THINKING STRATEGICALLY & ACTING STRATEGICALLY

Viewing strategy as “a social practice provides a ... coupling between cognition and action in the structuring of change processes” (Hendry, 2000, p 968)

Seeks to provide a bridge between structuralist and agency centred views – rather than conflating them (Hendry, 2000)

Agency can be seen as having three dimensions; the iterative, projective, and practical-evaluation (Emirbayer & Mische, 1998)

Attempts to tie micro activities within the organisation to the macro results

THIS STANCE HAS IMPLICATIONS FOR PRACTITIONERS TEACHING AND RESEARCHER

Practitioners

- **The need for "strategy apprenticeships" (p. 733)**

Teaching

- **Need to move beyond strategy in the abstract, but to include "the strategist as an individual practitioner within his or her particular area of practice" (p. 733)**
- **From 'lecturing' to coaching**

Research

- **"The main interest of process research remains, however, the fate of the whole organization, rather than the performance of the individual practitioner" (p. 734)**
- **So to, "understand strategizing better, we will need to close observation of strategists as they work their ways through their strategy making routines" (p. 734)**
- **Thus the emphasis is on "the effectiveness of strategists rather than just of organizations" (p. 734)**

DEFINING THE 'PROFESSIONAL SERVICE FIRM' IS NOT A TRIVIAL EXERCISE

The characteristics of a professional service firm is provided by Løwendahl (2000):

- Professionals should be dominant in the firm by virtue of being the majority of the employees, and by controlling key activities and decision.
- Secondly, the firm should exhibit congruence with the norms of the profession.
- Finally, the firm should generate new professional knowledge over and above the 'simple' application of professional knowledge

There have been many attempts at defining the professional or professionalism

- Trait and functionalist views of the professions (Carr-Saunders & Wilson, 1933; Flexner, 1915; Greenwood, 1957; Parsons, 1954, 1968)
- Process approaches (Millerson, 1964; Wilensky, 1964)
- Power approaches (Freidson, 1973; T. J. Johnson, 1972; Roth, 1974)
- Systems approaches (Abbott, 1988; Rothman, 1984)
- Class theories (Larson, 1977)
- Political and economic approaches (Brint, 1994)
- As a folk concept (Bourdieu & Wacquant, 1992; Freidson, 1983)

So, with Abbot's (1988) dictum in mind, I am using Freidson's (2001) definition

FOR RESEARCH INTO STRATEGY-AS-PRACTICE THE CONTEXT IN WHICH THE RESEARCH TAKES PLACE NEEDS TO BE TAKEN INTO ACCOUNT

Practice is a situated concept (Wilson & Jarzabkowski, 2004)

Processes can be explained just by reference to individual or collective agency ... [they] are embedded in contexts which limit their information, insight, and influence” (Pettigrew, 1997, p. 338).

But this is not a ‘one way street’, contexts are not only shaping process, but contexts are also shaped by what happens within them (Giddens, 1979; Sztopka, 1991).

There is clear evidence that strategies of professional service firms are shaped by their structure (Hinings, Greenwood, & Cooper, 1999).

KNOWN IMPACTS OF THIS CONTEXT–THE PROFESSIONAL SERVICE FIRM–ON STRATEGISING

The ‘pull to professionalize’ (Mintzberg, 1983, p. 153), when successful, results in the operating core, that is the professionals, working with a high degree of autonomy

Those professional seek to maintain their autonomy beyond their own work but staffing the middle-line and the strategic apex with ‘their own’

The governance structure of the professional service firm is such that ownership is also held by professionals

The impact of this ‘expansive’ autonomy is that:

strategy in these firms cannot be seen as an “single integrated pattern of decisions common to the whole organisation” (Mintzberg, 1983, p. 200). In these firms, strategies arise out of the activities of those professionals with the will, tenacity, and savoir-faire to negotiate their ideas through the complexities of the firm’s politics. Strategy is see as arising out of the consensus building activities of these professionals who actively seek a strategic role (Mantere, 2003) in the firm