

RESEARCH NOTES AND COMMUNICATIONS

THE SEEKING OF STRATEGY WHERE IT IS NOT: TOWARDS A THEORY OF STRATEGY ABSENCE: A REPLY TO BAUERSCHMIDT

ANDREW C. INKPEN

Thunderbird, The American Graduate School of International Management, Glendale, Arizona, U.S.A.

In this issue Bauerschmidt critiques a recent Strategic Management Journal paper dealing with the absence of strategy. In this paper (Inkpen and Choudhury, 1995), we argued that strategy absence should be viewed as a legitimate phenomenon of interest. Bauerschmidt maintained that we failed to instill a new strategy paradigm and challenged our arguments as a rhetorical ploy. Unfortunately, Bauerschmidt misinterpreted our intended message. Although we challenged the conventional wisdom that every firm must have an articulated strategy, instilling a new paradigm was not our objective. Our main argument was that the concept of absence may help strategy researchers better understand existing paradigms.

In our recent *Strategic Management Journal* paper (Inkpen and Choudhury, 1995), we argued that strategy researchers have been preoccupied with the study of existing strategy, with the result that the phenomenon of strategy absence has been ignored. We argued that the strategy-less firm should be seen as an area of interest and stimulation for strategic management scholars. Three perspectives for viewing strategy absence were identified: absence as failure, absence as transition, and absence as a deliberate and 'virtuous' void. Absence as constructive ambiguity or as a top management symbol were provided as examples of deliberately created strategy absence.

In a critique of our paper, Bauerschmidt (1996) raised some interesting points, many of which we agree with. However, Bauerschmidt (1996) made several comments that are misleading. Bauersch-

midt argued that we failed to instill a new strategy paradigm. Instilling a new paradigm was not our objective. We clearly anchored the paper in the existing strategy literature, and in particular, in Mintzberg's (1978) view of strategy as a pattern in a stream of decisions. We acknowledged that one's theoretical perspective of strategy may preclude an appreciation for the viability of the absence concept. However, given our belief that strategy evolves over time and that Mintzberg's perspective of strategy is the most powerful conceptualization of this evolutionary process, we maintain that our paper is firmly entrenched in an existing paradigm. We acknowledge that from a strategy content perspective, every firm has a strategy because every firm has products, markets, channels of distribution, and so on (Inkpen and Choudhury, 1995: 314). Since most strategy research involves cross-sectional data, strategy as a construct is easy to measure. Strategy absence will not be found by content researchers because

Key words: strategy absence

their paradigmatic mindset will not allow it. To find (or not find in the case of absence) a pattern and logic in decision making requires a longitudinal methodology and a process perspective.

We were also puzzled by Bauerschmidt's (1996) reference to the intentional and emergent schools of strategic thought. We discussed several perspectives of strategy, including the IO rent-seeking view, the Harvard Business School model of the omnipotent general manager, and strategy as a stream of decisions. As indicated above, the paper's arguments were anchored in the latter perspective. In our view, intentional and emergent schools of thought do not exist in the strategic management literature. An intended strategy may become realized. Realized strategies that are not intended are emergent strategies. Bauerschmidt (1996) contended that if we hoped to reconcile the intentional and emergent schools of thought, the paper failed. We did not even discuss the strategy field in terms of these schools of thought, let alone try to reconcile them. Bauerschmidt (1996) also argued that emergent thinking suggests that strategy is never conscious and only gains presence on its reflection. This statement is not accurate. A firm may start with an intended strategy that is very conscious. If that strategy is displaced, an emergent strategy may take its place.

Bauerschmidt (1996) challenged our arguments as a rhetorical ploy by making the argument that strategy is a characteristic of every organization even when absent. Again, we refer back to the conceptual underpinnings of the paper. We did not intend readers to view our arguments as a 'radical proposal'. We challenged the conventional wisdom that every firm must have an articulated strategy. Overall, our objective was to expand what we know about the strategy phenomenon. Based on Bauerschmidt's (1996) comments, we achieved that objective.

We agree with Bauerschmidt's (1996) position that any strategy paradigm depends on the presence of strategy, insofar as Bauerschmidt means the

presence of a strategy *concept*. Clearly, the strategic management field would be adrift without a strong conceptual foundation. When we talk about the presence or absence of strategy, we are referring to the strategies of firms, not to the paradigm itself. Contrary to Bauerschmidt's comments, strategy can be absent in firms and our paper provides a number of examples to support this position. Again, we must emphasize that this argument is based on a theoretical orientation grounded in concepts of consistency of decision making and managerial choice.

Finally, Prahalad (1995: iii) argued that research in the strategic management field is a battle between 'weak signals from the realm of management practice and strong, well-developed paradigms in established fields of scholarly inquiry'. The failure of other researchers to consider strategy absence may be the result of an allegiance to methodological tools or misinterpretations of practice. Our view is that the concept of absence may help strategy researchers better understand existing paradigms, although new tools may be necessary to empirically examine absence. The comments by Bauerschmidt (1996) support our view that it is possible for an organization to take on the property of an absent strategy. On that point we are in complete agreement.

REFERENCES

- Bauerschmidt, A. D. (1996). 'Speaking of strategy: A Comment on Inkpen and Choudhury (1995)', *Strategic Management Journal*, 17 (8), pp. 665-667.
- Inkpen, A. and N. Choudhury. (1995). 'The seeking of strategy where it is not: Towards a theory of strategy absence', *Strategic Management Journal*, 16(4), pp. 313-324.
- Mintzberg, H. (1978). 'Patterns in strategy formation', *Management Science*, 24, pp. 934-948.
- Prahalad, C. K. (1995). 'Weak signals versus strong paradigms', *Journal of Marketing Research*, 32, pp. iii-vi.