Question 2,

A strategy is a course of action for achieving an organization’s purpose. Refer to this statement, a main distinction between people who see strategy as an intended course of action and those regard strategy as a realized course of action. These views are not contradictory but complementary. Intended strategy is what individuals or organisation formulate prior to action(a pattern of decisions), while realized strategy refers to the strategic behavior exhibited in practice(pattern of action). The process by which an intended strategy is created is called ‘strategy formulation’. The process by which a realized strategy is formed is called ‘strategy formation’. What is realized might be based on intended strategy, but it can also be the result of unplanned actions as time goes by, this is the process of strategy formation encompasses both formulation and action. Strategic formation is the entire process leading to strategic behavior in practice.

For managers with responsibility for getting results, it would be too limited to only look at the process of strategy formation and to worry about implementation later. Manager must determine how entire process of strategy formation should managed to get their organization to act strategically. Who should be involved, what activities need to be undertaken and to what extent can strategy be formulated in advance. Ultimately, it is the organization’s actions directed at market place that count. Recognising that strategy formation is essentially an innovation process has more consequences. Innovation is basically subversive, rebelling against the status quo and challenging those who are emotionally. Creating new strategies involves confronting people’s maps, questioning the organizational culture, threatening individual’s current interests and disrupting the distribution of power within the organization. None of these processes can be conducted in order, it can be incorporated into planning system.

**Two perspectives of strategic planning**

Strategic planning perspectiveis based on deliberateness over emergence, strategies are intentionally designed, much as an engineer designs bridge. Building a bridge requires a long formulation phase, including extensive analysis of the situation and further detailing in form of a blueprint. For advocates of the strategic planning perspective, the whole purpose of strategizing is to give organization direction, instead of letting them drift. Organisations cannot act rationally without intensions. Another advantage is allowing for the formalization and differentiation of strategy task. Because of its highly structured and sequential nature, strategic planning lend itself well to formalization. This strategic planning encourages long-term thinking and commitment. Tasks are planned top down to all levels of organization to coordinate to achieve final goals.

Strategic incrementalism perspective is based on emergence over deliberateness. The strategic formation process is not about rigidly setting the course of action in advance, but about flexibly shaping the course of action by gradually blending together initiative into a coherent pattern of actions. Making strategy involves sense-making, reflecting, learning, envisioning, experimenting and changing the organizing, which cannot be nearly organized and programmed. Strategy formation is messy, fragmented, and piecemeal, much more like the unstructured and unpredictable processes if design and production. Changing people’s cognitive maps requires complex processes of unlearning and learning. Cultural and political changes are also difficult process to programme.