Theoretical implications of a micro perspective

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Unnecessary dualisms in strategy research

• Environment vs. Firm
• Content vs. Process
• Emergence vs. Planning
• Situational determinism vs. Creative action

Ontologies

Closed-world ontology
The future is a projection or recombination of forms in the past

Open-world ontology
The future is genuinely open-ended whereby radically new things may appear

Two conditions of closure:
(a) Internal: the mechanism producing events does not change
(b) External: The conditions in which a mechanism operates remain the same or are predictable
Theorizing from a strategy-as-practice perspective

1. Emphasis on *strategic episodes*
   Strategic episodes are sets of social interactions explicitly oriented towards the production of a strategic object
Theorizing from a strategy-as-practice perspective

2. Search for explanatory mechanisms

_Mechanisms_ are frequently occurring and easily recognizable causal patterns that are triggered under generally unknown conditions or with indeterminate consequences.

A mechanism M is a set of abstract statements that provides an account of how certain inputs I are connected to certain outputs O

\[ I \rightarrow M \rightarrow O \]

Mechanisms have generality – they apply across a number of contexts – and, thus, have explanatory power

Theorizing from a strategy-as-practice perspective

3. Focus on events
Events are contingencies that occur outside particular strategic episodes

“We need not only laws, but also events that bring an element of radical novelty to the description of nature”
I. Prigogine (1997:5)

4. Incorporate individual beliefs and desires
A typology of social mechanisms

Macro Level

Situational Mechanisms (Type 1)

Micro Level

Action-Formation Mechanisms (Type 2)

Transformational Mechanisms (Type 2)

Fig. 1. A typology of social mechanisms

A typology of social mechanisms

Type 1: *Situational mechanism*

The individual actor is exposed to a specific social situation, and this situation affects him-her in a particular way

A typology of social mechanisms

Type 2: Action-formation mechanism

A specific combination of beliefs, desires and opportunities generate a specific action

E.g. G.P. Hodgiknson and G. Wright (2003), Confronting strategic inertia in a top management team, Organization Studies, 23:949-977. (A scenario-planning intervention to confront strategic inertia in a top management team failed, due, mainly, to participants adopting a series of defensive avoidance strategies (shifting responsibility, procrastination, bolstering), amplified by a series of psychodynamic processes initiated by the CEO (need for control).
A typology of social mechanisms

Type 3: Transformational mechanism

How individual actions are transformed, in contexts of social interaction, to generate collective outcomes (intended or unintended)

E.g.


- J. Balogun and G. Johnson (forthcoming), From intended strategies to unintentional outcomes: The impact of change recipient sensemaking, *Organization Studies* (A longitudinal, real-time study of strategic change shows how the lateral processes of inter-recipient sensemaking contribute to intended and unintended change outcomes)