Mapping the landscape of strategy tools: A review on strategy tools published in leading journals within the past 25 years

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ABSTRACT

This article taps into the question of the materialized forms of theorizing in strategy: the strategy tools presented in publications over the past 25 years. This study conducts a systematic search and review of 482 published abstracts and 88 full text articles introducing tools to aid strategizing. The contribution of this study builds on the theoretical classification framework and review of strategy tools to illustrate what might be termed the toolbox of strategy from the publications in leading management journals. The review suggests that the landscape of strategy tools is surprisingly traditional and that contemporary developments in strategic thinking have not yet been transformed into usable tools. Furthermore, the study also provides some recommendations for the developers of new strategy tools in terms of topics and methodological considerations.

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Introduction

Strategy tools are the materialization of strategic thinking; the technologies of rationality that shape managerial behaviour during strategy work. As such, *'a strategy tool is not neutral or "objective", but makes an argument about what is important to analyse strategically and, conversely, what is not'*. (Jarzabkowski and Kaplan, 2015: 539). Strategy tools both reflect and shape the current thinking on strategy in the field, in terms of how strategic thinking is materialized into tools, and what types of tools are being developed and utilized. Accordingly, understanding what types of strategy tools have been written about describes the state of development in the field of strategy (Whittington, 2006). Over the years, managers have become accustomed to strategy tools such as the *five forces*, the *strategy map*, or the *SWOT* analysis, tools utilized to facilitate interactions around strategy (Spee and Jarzabkowski, 2009). Strategy tools have an important role to play when practitioners undertake the labour of strategy or strategic praxis (Jarzabkowski and Wilson, 2006; Vaara and Whittington, 2012). Studies on the popularity (e.g., Clark, 1997; Frost, 2003; Gunn and Williams, 2007; Hodgkinson et al., 2006; Stenfors, 2007) and usefulness (Wright et al., 2013) of strategy tools have ascribed to them properties that guide thinking and interactions among top and middle management (Spee and Jarzabkowski, 2009). In addition, business schools commonly instruct aspiring managers in the use of strategy tools (Wright et al., 2013), extending the potential impact of the tools far into the future. Simply put, *'the variation in existing types of strategy tools also merits exploration'* (Jarzabkowski and Kaplan, 2015: 552). While we do acknowledge that the true nature of any tool can only be fully revealed by studying how the tools are utilized in practice, the purposes for which strategy tools are developed, and descriptions of the tools *as such,* provide an interesting lens by which to understand strategic thinking and theorizing about strategy.

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Given the interest in the strategy process and strategy-as-practice (SAP) approaches to the micro-practices of strategy, researchers have focused on strategy tools as boundary objects (Spee and Jarzabkowski, 2009), as technologies of rationality (Jarzabkowski and Kaplan, 2015), and as vehicles of visualization (Paroutis et al., 2015). Strategy tools translate theoretical concepts for managers, who utilize the tools to analyse and explicate external or internal conditions to make and implement strategic decisions (Eisenhardt and Sull, 2001). As such, the recent strategy literature provides evidence of how, and how often, tools are utilized in companies (Hodgkinson et al., 2006; Jarratt and Stiles, 2010), but also on how business schools teach the use of strategy tools (Jarzabkowski and Whittington, 2008). However, the literature is sparser on the scope of the existing tool-base in strategy, how tools represent the theoretical landscape in strategy, and where the gaps exist in the collection of tools.

The present study responds to calls for contributions regarding strategy tools (Laamanen, 2017) to operationalize strategic management theory. By reviewing the leading journals on strategy and general management during the past 25 years, the present study covers 88 articles presenting a strategy tool. The study contributes by utilizing a theoretical classification frame to understand how the strategy tools represent the theoretical landscape of strategy, what type of gaps exist in the strategy toolbox, and how tools cover the issues related to strategy content and process. Based on the findings, we provide suggestion for future research. Furthermore, the study extends the discussion on how strategy tools shape managerial practice and the teaching of strategy. Our description of strategy tools contributes by improving the accessibility of those tools for teachers in terms of sharing the knowledge, and of practitioners utilizing such tools to facilitate strategic thinking. We also take a methodological standpoint by arguing that prior strategy tool studies have not sufficiently reported the actual tool development processes, and we make suggestions to rectify this issue in the future. We build on research considering tools as technologies of rationality; the materialized form of strategic thinking. While the knowledge of strategy tools is often transferred to practice through consultants, textbooks and magazines, a review of academic literature still has its merits. High quality academic papers should describe the latest, benchmarking, and contributive developments in their respective fields, and the knowledge transfer to broader audiences takes time. Hence, arguably the tools introduced in academic journals should represent the genuinely new types of tools and ideas. While some strategy tools might never meet the stringent contribution criteria set by top journals, this review covers 88 different tools. This represents a considerable extension to the array of tools typically presented in strategy textbooks or employed in empirical studies of tool use.

Classifying strategy tools

Strategy tools can be instrumental problem solvers, information generators, inspirers of social interaction, or constructors of strategy work (Chesley and Wenger, 1999; Wright et al., 2013). Tools may also be used to structure information and provide a foundation for the strategic conversation (Chesley and Wenger, 1999; Hill and Westbrook, 1997). Tools can also support different functions simultaneously (Frost, 2003) and be used on individual, interpersonal, organizational, and societal levels (Stenfors, 2007).

The literature on strategic planning (Andrews, 1971; Ansoff, 1965), the strategy process (Burgelman, 1991; Pettigrew, 1992) and SAP (Jarzabkowski and Spee, 2009; Seidl and Whittington, 2014) together provide a considerable body of evidence on the antecedents, processes, practices, and outcomes of strategy work (Floyd et al., 2011; Hart, 1992; Hutzschenreuter and Kleindienst, 2006; Jarzabkowski and Spee, 2009). While the scholarly ideas of strategy have been developing from complex formal planning processes towards participative micro-level strategy work, arguably the role of strategy tools has increased (Jarzabkowski and Kaplan, 2015). Strategy tools are used extensively within strategy processes (Spee and Jarzabkowski, 2009) but decisions on what tools are used also have consequences for the content of strategy (Jarratt and Stiles, 2010). That is to say, when used, strategy tools shape the mental models of strategists and hence affect both the content and process of strategy work. Therefore, to understand the landscape of strategy tools, we decided to classify the tools along two dimensions. These dimensions foster the understanding of how strategy tools cover the existing content and process landscape on strategy, and where the gaps exist. More importantly, we offer interpretations of the materialization of strategy theory into usable tools. Fig. 1.

Strategy process

The strategy process literature has been moving from a complex and rational, strategic planning perspective (e.g., Chandler, 1962; Ansoff, 1965) towards a more participative strategy process, and further towards the micro-strategic view of SAP. There are several prescriptive takes on the strategy process (e.g., Andrews, 1971; Ansoff, 1965; Barney and Hesterly, 2008; Chandler, 1962; Grant, 2007; Hunger and Wheelen, 2013), and others that are more descriptive (e.g., Johnson et al., 2011; Lovas and Ghoshal, 2000; Mintzberg, 2003; Noda and Bower, 1996). In the past, much of the process literature has emphasized the descriptive approaches. An example of a linear and descriptive process model is provided by Barney and Hesterly (2008) who suggest a strategy process starts with the development of a mission and objectives, which is followed by external and internal analysis, strategic choice, and strategy implementation. A successfully executed process should generate competitive advantage. In contrast, the *exploring strategy model* (Johnson et al., 2011) provides a more emergent, continuous, flexible, and cyclical view of the strategy process. The model encompass stages addressing 1) understanding the strategic position (context), 2) assessing strategic choices for the future (content) and 3) managing strategy into action (process). In a very similar vein, Kaplan and Norton's (2008) *closed-loop management system* links strategy and