

The Drafts of Strategy: Opening up Plans and their Uses

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This paper aims to show empirically that strategic plans may contribute to the emergence of new strategies, and not just to programming of predefined strategies. It does so thanks to a novel approach to planning, in which the analyst opens strategic plans, reads their contents, and studies how business actors use them. This method is applied to the analysis of Renault's investment strategy in Brazil in the mid-1990s. The author demonstrates that, although the planning *process* may have acted during this investment as a constraint on innovative strategising, the *plans* that were produced in order to prepare the investment were open, creative documents. Thanks to their visual and textual representation of contexts and strategies, these plans enhanced strategic imagination more than they hindered the conception of new strategies. The paper argues that all plans may play such a role, depending on how they are written and read. It concludes with recommendations on how to best read and write plans.

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Introduction

According to Henry Mintzberg, “*plans by their very nature are designed to promote inflexibility – they are meant to establish clear direction, to impose stability on an organisation*”.¹ This paper aims to deconstruct this conception of plans in two ways. First, it discusses the existence of a single “nature” of plans by focusing on the heterogeneity of corporate plans. Implemented programme-plans can be distinguished from draft plans, which are explicitly designed to enhance debate inside companies and stimulate strategic imagination. Second, the paper shows how such plans do promote flexibility, depending on how they are written and read. The paper concludes with suggestions on how to help plans contribute to the design of novel strategies rather than to the entrenchment of known ones.

This perspective helps to account for the historical evolution of strategic planning practices. Studies agree that firms still largely resort to planning tools and techniques.² This goes along

with an enduringly high demand for strategic planners on the job market.³ These facts contradict the supposed “*fall of strategic planning*”, which was claimed by Mintzberg in 1994.⁴ Our intention, after so many criticisms of planning, is to shed light on the reasons why planning is still treated by strategists as a useful practice.⁵

We do so thanks to a new approach to strategic planning. This approach focuses more closely on the features of plans as artefacts, and those of managers as craftsmen.⁶ It takes into account how business executives devising a plan have to carry out such tasks as writing texts and drawing sketches, as well as assessing their various drafts, before presenting the ultimate outputs of this production process as definite plans. The issue is, therefore, to understand what degree of strategic flexibility is allowed by plans themselves while they are being made and read. What uses do these specific artefacts authorise? To answer this question, we propose: 1, to open and read corporate plans, to scrutinise how they can either enable or constrain action; and 2, to analyse the decisions that are made once the plans have been presented to senior executives, in order to assess the real influence of plans on these decisions. This method is based on data from our case study of Renault’s large-scale investment in its Brazilian operations in the mid-1990s.

Our methodological choice to open the plans and read them along with corporate actors leads to a demonstration of how strategically open plans may be. We highlight the important role, in the strategy formation process, of many transient plans, that do have a role in strategy-making although they are not necessarily used and/or even designed as constraining programmes. The study of their contents shows that these plans were conceived as supportive tools to help executives represent and observe possible strategies. In other words, these plans were *drafts* of strategy. We argue that such plans contribute to the definition of new and innovative strategies because, as for any kind of draft, they provide food for thought and imagination.

The openness of plans may take two radically different forms: either implicit or explicit. We demonstrate that closed programme-plans, when read adequately, allow for or even stimulate the creativity of business executives. They do remain open, but in an implicit way. But we also show that plans may be directly written as open documents, which bring forth and develop original strategies. In the latter case, the reading of plans consists of an attempt to close down strategies, in order to make decision possible. These two opposite situations are presented successively in the paper, after a plea for our revised approach of planning and a presentation of the case study from which our conclusions are drawn.

Literature review: plans as target for attacks

Corporate strategic planning has become a favourite target for attack by strategy scholars in the past 30 years.

The empirical use of formal strategic planning has been questioned repeatedly. Although a proponent of strategic planning, Ansoff observed as early as 1977 that “*the state of practice in planning systems*” didn’t exactly prove as satisfactory as planning theorists had first expected: many firms still didn’t consider formal strategic planning as a desirable method.⁷ In 1994, in his analysis of the role and place of strategic planning in management theory and practice, Mintzberg concluded on its historical “fall”. Such observations made scholars look for the possible pitfalls of planning.

Strategic planning was mostly criticised because of its uncertain effects on performance.⁸ Conceptual critique of strategic planning went in two complementary directions. Planning was accused of lacking realism, in relation both to present and future contexts. Mintzberg saw a first “*fundamental fallacy of strategic planning*” in the excessive “*detachment*” it would foster between strategising and the other activities of the firm, as well therefore as with its present external contexts. And planning, furthermore, claimed to predict middle or long-term futures, a particularly hard, if not impossible, task.⁹ Mintzberg formulated this problem as the second fallacy of strategic planning — that of “*predetermination*”. But it was also argued, on top of this lack of realism, that planning could act as a brake on strategic innovation. Its fallacious “*formalisation*” would favour analysis over intuition and make planning contradictory to strategy itself as a creative practice.

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